The London School of Economics and Political Science

Money matters? Micro-credit and poverty reduction among poor women in Tanzania

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DECLARATION

I certify that the thesis I have presented for examination for the MPhil/PhD degree of the London School of Economics and Political Science is solely my own work other than where I have clearly indicated that it is the work of others (in which case the extent of any work carried out jointly by me and any other person is clearly identified in it).

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ABSTRACT

This thesis concerns the meaning and role of money as perceived both by poor women in Tanzania and the micro-credit agencies seeking to reduce their poverty. It argues that the economic understandings of money promoted by micro-credit do not reflect everyday monetary practices and beliefs, rendering the agencies less effective than they could be. Studying micro-credit is important given that it has been adopted as a major alternative poverty reduction strategy.

This study contextualises women's understanding of money in terms of their participation in informal economy, their transition from rural to urban life, and their negotiation of gender roles and expectations. Empirical research focused on in-depth interviews with clients and staff at two micro-credit agencies in Dar es Salaam: PRIDE and SELFINA. Despite different policies and organisational structures, in both cases, the study found that women and micro-credit agencies have divergent understandings of money and its investment as well as of poverty and its reduction. Moreover both agencies treated money as a discrete element, largely ignoring the gender, social, cultural and patriarchal relations that influence these women's monetary practices and beliefs.

This study concludes that micro-credit's attempt to alter resource allocation in the household by offering women an opportunity to earn money for economic investment without addressing issues of resource allocation and distribution within the household will not eventually benefit poor women.

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LIST OF ABBREVIATIONS AND ACRONYMS

ACB	-	Akiba Commercial Bank
AGOA	-	African Growth and Opportunity Act.
CEDAW	-	Convention on the Elimination of Discrimination Against Women.
CGAP	-	Consultative Group to Assist the Poorest.
CRDB	-	Cooperative and Rural Development Bank.
DAWN	-	Development Alternatives with Women for a New Era.
DFID	-	Department for International Development (UK).
DRC	-	Democratic Republic Of Congo.
EAC	-	East African Community.
ERP	-	Economic Recovery Programmes (1&2).
ESAF	-	Enhanced Structural Adjustment Facility.
ESAP	-	Economic and Social Action Programme.
FINCA	-	Foundation for International Community Assistance.
GAD	-	Gender and Development.
GB	-	Grameen Bank
GEM	-	Gender Empowerment Measure.
HIPC	-	Highly Indebted Poor Countries.
HIV	-	Human Immune-deficiency Virus.
AIDS	-	Acquired Immune Deficiency Syndrome.
IDA	-	International Development Assistance.
IMF	-	International Monetary Fund.
LIF	-	Loan Insurance Fund.
MCDWAC	-	Ministry of Community Development, Women and Children.
MEC	-	Market Enterprise Committee.
MKUKUTA	-	Mkakati wa Kutokomeza Umasikini Tanzania also known as the National Strategy for Growth and Reduction of Poverty.
MKURABITA	-	Mkakati wa Kuratibu Biashara Tanzania also known as Tanzania's Property and Business Formalisation Programme (TPBP).
NEPAD	-	New Partnership for Africa's Development.
NESP	-	National Economic Survival Programme.
NGO	-	Non Governmental Organisation.
NMB	-	National Micro-finance Bank.
NORAD	-	Norwegian Development Agency.
NPES	-	National Poverty Eradication Strategy.
NSGRP	-	National Strategy for Growth and Reduction of Poverty popularly Referred to by its Kiswahili acronym (MKUKUTA).
PRIDE	-	Promotion of Rural Initiatives and Development. Enterprises.
PRS	-	Poverty Reduction Strategy.
PRSP	-	Poverty Reduction Strategy Paper.
ROSCA	-	Rotating Savings and Credit Association.

SAP	-	Structural Adjustment Programme.
SEBA	-	Sero Business Women's Association.
SELFINA	-	Sero Lease and Finance Company Limited.
SIDA	-	Swedish International Development Agency.
TPBP	-	Tanzania's Property and Business Formalisation Programme also Known as MKURABITA.
UNDP	-	United Nations Development Programme.
UNIFEM	-	United Nations Development Fund for Women.
USAID	-	United States International Development Aid.
VAT	-	Value Added Tax
VETA	-	Vocational Education Training Authority.
WAD	-	Women and Development.
WB	-	World Bank.
WID	-	Women in Development.

MAP OF TANZANIA

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CHAPTER ONE

BACKGROUND AND OVERVIEW OF POVERTY IN TANZANIA

1.0 INTRODUCTION

This thesis is concerned with the understanding of money and its role in reducing poverty among women as promoted by micro-credit agencies. Consequently, the thesis relies heavily on theories of gender and development. It also focuses on the socio-cultural aspects of livelihood in order to understand the differences in the realities experienced by men and women, and the particular discursive position that some men and some women adopt. The discussion of poverty in Tanzania has its roots in the country's colonial history and its subsequent colonial economy and ensuing colonial culture. Colonialism has been held responsible for destroying autonomous development as well as the diverse local cultures of the country (Biermann and Moshi, 1997). The impact of resource extraction for export is thus considered the fundamental explanation for the country's poverty, and colonial education is blamed for destroying and distorting local cultures. These are the main reasons for the country's present socio-cultural and economic tribulations according to dependency theory.

Modernization theory, conversely, argued that the 'non-civilized' status of the country and its failure in adjusting to the world economy were the main reason for Tanzania's poverty (Biermann and Moshi, 1997). The inappropriate way of adapting to the European model of civilization and the accompanying failure of the trickle down effect have often been used to explain why countries such as Tanzania remain poor, and unless they 'catch up' with European civilization, are likely to remain poor. Gender inequality has not been accorded a high significance in the classical stage of these development theories (Parpart, Connelly and Barriteau, 2000). Theoretical variants such as the Women in Development (WID) theory, which is a merger between modernization and liberal feminist theories, do pay more attention to gender. Gender inequality and gender discrimination mainly associated with patriarchal relations, are used to explain women's poverty in Tanzania. It thus becomes imperative that the discussion of poverty be analyzed within the wider context of development theories and gender relations.

In the last four decades, Tanzania has plunged into the depths of poverty.[1] It is currently rated among the poorest countries in the world with its female population, on average, most affected by poverty (Vyas and Bhargava, 1999; Bagachwa, 1994; Stichter and Hay, 1995; Mahanga, 2002). The majority of women in Tanzania are poor as a result of many interrelated factors ranging from colonial history to cultural constraints, gender constraints, legal rules, customs, beliefs and attitudes (both of men as well as women). All these have played a significant role in emphasising women's subordination, as well as the socialisation process, education, development policies, and lack of role models to emulate. (Gordon, 1996 and Kevane, 2004). Women have always participated in development but their contribution has not been effectively acknowledged and neither have they been positively rewarded for their labour.

Although the study makes reference to poor women, it should be noted that women are not a homogeneous category. Not all women in Tanzania are poor, just as not all poor people are necessarily women. Poor women differ according to religion, marital status, culture, and ethnicity as well as geographical location. In spite of these differences, this study broadly takes poor women to be all those women who struggle to meet their basic daily necessities and are frequently socially and economically as well as politically excluded and subordinated. Some of these poor women challenge this isolation by involving themselves in micro-credit agencies and carrying out income generating projects. Through their various income generating projects, poor women are participating in reducing their own poverty and initiating development.

1.1 STUDY OBJECTIVES.

This study's central research question concerns the meaning and role of money as perceived both by poor women in Tanzania and by the micro-credit agencies seeking to reduce their poverty. The focus on poor women will help to understand how these women perceive poverty in their respective everyday lives and how they see micro-credit programmes assisting them out of poverty. Of particular interest to this study is how the money acquired from various micro-credit institutions such as PRIDE (Promotion of Rural Initiatives and Development Enterprises) and SELFINA (Sero Lease and Finance Company limited)[2] for example is perceived, valued and utilised. The overall role that money plays in poor women's lives may provide insights into the reasons behind their poverty, which in turn will help to uncover aspects of poverty reduction that have been overlooked by previous studies. This study intends to analyse money more broadly than simply in terms of its economic value of exchange. In this way, it tries to avoid attributing general meanings to money while ignoring the specific social and cultural meanings which are derived from the variety of aspects which surround monetary transactions. The study will review the socio-cultural variables that mediate the economic aspects of everyday life at the household level, such as power relations and decision-making, in order to obtain a clearer picture of women's poverty status.

In addition to studying the social-cultural and economic composition of poor women in relation to micro-credit, this study also argues that it is only through studying money from a broader perspective that it will be possible to understand the way in which money is viewed through a different cultural matrix. In some traditions money has been known to act as a powerful agent of social and cultural transformation (Parry and Bloch, 1989). Given that money plays a pivotal role in social change, this study seeks to understand the meaning and value attributed to money by the poor on the one hand, and those in positions of power such as policy makers and financial lending institutions on the other. This will allow for a deeper and more meaningful understanding of the functions of money from the actor's point of view, which may be different from the one advocated by those in positions of power.

For decades, the economic meaning attributed to money as a means of exchanging and measuring the worth of things, has dominated the development framework (Ingham, 1995). My thesis argues that understanding the role that money plays in poor women's lives will shed light on some of the reasons perpetuating these women's state of poverty despite initiatives geared towards reducing it. Whether money has the same meaning for women clients and the lending institutions is a matter the study intends to explore. To the best of my knowledge, such a study has not been done before in Tanzania or elsewhere.

Since gaining its political independence in 1961,[3] Tanzania with support from international community organisations such as the World Bank, IMF, SIDA, NORAD, has continuously embarked on initiatives to reduce poverty and induce development, micro-financing being its latest major intervention. With micro-credit, it has been asserted that the economic empowerment of women would undoubtedly make a contribution to both household poverty reduction and general empowerment of women. However, there is overwhelming evidence which indicates that for many women the impact of micro-credit on both economic and social empowerment is marginal or even negative (Mayoux, 2002; Mayoux, 2003; Rahman, 1999; Islam, 2007; Bolton and Rosenthal, 2005). It is in the light of this background that this study embarks on understanding and explaining why the economic understandings of money that micro-credit is based on may not be effective in reducing poor women's poverty. In doing so, the study's focal point is on money and its role in poverty reduction.

In this quest, the study centres on micro-credit agencies and provides some theoretical and historical background. This study argues that giving money alone to poor women without taking into account their other poverty circumstances is an ineffective way of reducing poverty among poor women. This is because the use of credit as a solution to poverty stems from a weak application of the Women in Development (WID) approach, which tends to view women's problems in isolation. As a result, credit addresses only a part of the wider concerns of women. Besides, the 'economic' aspect is not a separable feature that poor women can identify with in their day-to-day living experiences. Most of the time, these women do not distinguish between the economic and non-economic, or the public and private domains. They perceive their poverty status in more holistic and practical terms.

Moreover, money itself is not an isolated neutral entity that exists independently 'out there'. It is part of the cultural, social, political and familial value system and structure of society. 'The consequences of implementing partial ungendered development strategies are slower development and the perpetuation and deepening of gender inequalities which further reinforce unequal patterns that hinder development' (Zuckerman, 2002:3). For development to be relevant and effective, it ought to be not merely an economic endeavour, but a holistic process incorporating all aspects of life socially, culturally, politically and spiritually, as well as the environment in which it takes place (Chambers, 1995). As fifty years of development experience has shown, 'development efforts that fit with their surroundings will work, whereas those that disregard salient aspects of context will usually fail' (Nolan, 2002:25).

What I intend to show here is that money cannot be understood as purely an economic issue, because it exists in a wider context. These socio-cultural, political, environmental and even health issues should be accommodated within the realm of development planning and implementation of poverty reduction strategies. It is the complex intermingling and interdependence of these issues that may result in a development that is beneficial to all involved in the process. The current situation is such that women toil but do not benefit optimally from their labour (see Chant, 2007a). This research aims at making a twofold contribution to sociology, first by examining the complexity of poverty and its underlying conditions, and secondly, by examining the role of money as part of women's domestic and business practices and power relations existing among poor societies, with the possibility of initiating change for the better.

The thesis consists of eight chapters. The first chapter looks at the nature of women's poverty in Tanzania. It reviews the various poverty reduction strategies carried out in the country and introduces the perception gap between micro-credit agencies and their clients. The second chapter discusses the literature and main concepts and theories of gender and development to explain women's poverty in Tanzania. This is followed by the methodology chapter. Chapter Four reviews the micro-credit agencies of PRIDE and SELFINA to understand and explain their meanings both of money and poverty. Chapter Five looks at the multi-dimensional way in which poverty is experienced by women in the informal economy of Dar es Salaam. Chapter Six explores the diverse meanings accorded to money and the underlying issues that influence monetary practices. Chapter Seven discusses the social and moral context of money making in the urban context of Bongo land. This is followed by the conclusion.

1.2 POVERTY REDUCTION STRATEGIES AND INTERVENTIONS

Poverty in Tanzania has a gender dimension taken on board rhetorically by policy makers and those involved in strategies aimed at its reduction. This section first looks at the history of policies geared towards poverty reduction in Tanzania and then at gender concerns. Poverty is multidimensional, yet traditional poverty analyses rarely acknowledge that different household members experience poverty differently (Bell, 2003). Men and women lead gendered lives because they are presented with different opportunities, shaped by social structures. This causes them to make different choices and to experience poverty differently. The grinding poverty in Tanzania falls heavily on the shoulders of women (Kevane, 2004). Most Tanzanian women lack the power to influence resource allocation and investment decisions in the household, the community and the nation as a whole. This is due in particular to unequal gender relations where men are assumed to speak for the whole family, thus rendering women voiceless, especially in development projects. Although Tanzania's policy makers and the international community have been concerned with poverty and its eradication for many years, remarkably little is known about the nature, causes, incidence and trajectory of poverty in the country (Vyas and Bhargava, 1999). A large proportion of women in Tanzania remain poor (Biermann and Moshi, 1997) in spite of participatory consultation attempts aimed at empowering them and initially getting them and their families out of poverty. Studies show that socially and economically weak and voiceless groups of the society such as poor women and poor men are usually marginalized or excluded from the consultation process (see Bell, 2003 and Zuckerman, 2002).

Immediately after independence in 1961, the government of Tanzania declared war against what it termed the three enemies of development, namely, poverty, ignorance and disease. Simultaneously, it was struggling to retain the old colonial economic structure as a supplier of agricultural raw materials such as sisal, cotton, coffee and tea. Producing adequate food supplies for its own national requirements proved an even bigger challenge. Moreover, the reality of severe deficiencies in the supply of food, energy, housing, manufactured goods and health and education services forced the government to embark on stern measures to reduce poverty and promote development for its citizens. It was in this context that, in 1967, the government passed the first national economic declaration establishing Tanzania's era of economic socialism (Sklair, 2002:chapter 8 examines Tanzania's experiment with economic socialism).

The Arusha Declaration,[4] named after the location of the conference, aimed to address the deficiencies in Tanzania's economic development and endorse socialism and a planned economy, which the country's new leaders thought appropriate at the time (Wobst, 2001:9). The Arusha Declaration, with its principles of 'Ujamaa' (see below) and self-reliance, aimed to improve and increase the capacity of human capital, productive inputs and sales of agricultural products. The 'Ujamaa' villages were created in locations with greater accessibility to input and output markets and other social services such as schools and dispensaries. 'Ujamaa' is a particular African style of socialism, which is embedded in traditions found in Tanzania's family, village and societal structures. 'Ujamaa' policy incorporated the 'villagization' programme that resettled almost 7 million people within one decade. In 1973, the ruling party passed the villagization decree, stating that the entire rural population had to live in permanent villages by 1976. Just like other top-down development approaches, the Arusha Declaration failed to incorporate gender concerns in its strategy to reduce poverty and promote development. Hence this initiative failed to improve the poverty status of the Tanzanian population in general and poor women in particular. If anything, women were left feeling even more marginalized in the new surroundings.

Since then, the government has embarked on a host of other initiatives aimed at reducing poverty. The internal and external economic shocks throughout the 1970s led the country into economic crisis in the early 1980s. With Tanzania's economic performance deteriorating continuously, the political leaders had to devise alternatives to the socialist failures. They initially reacted to the economic breakdown with self-guided adjustment efforts such as the 1981 National Economic Survival Programme (NESP), which aimed to liberalise the economy. However, since this initiative largely retained the existing economic regime, it failed to achieve its target. In 1982, the government adopted a three-year development plan, prepared and based on the advice of the Tanzanian Advisory Group. This development plan was exclusively a national effort, a home-grown plan without any World Bank or International Monetary Fund financial support. This initiative did not yield any significant changes either (see Wobst, 2001; Bagachwa and Maliyamkono, 1990).

However in 1986 Tanzania finally agreed to the first stabilization and Structural Adjustment Programme (SAP), which was guided by the World Bank and the International Monetary Fund. First it adapted the Economic Recovery Programme (ERP1) which aimed not only at outward orientation and monetary stability but also at economic growth issues. Next, Tanzania went on to adopt the Economic Recovery Programme (ERP2) from (1988/89 – 1992/93). These development plans reinforced the Economic and Social Action Programme (ESAP). These programmes strove to reduce state control and promote private sector activities. They declared the rehabilitation of key infrastructural components a priority so as to support future economic development. These adjustment initiatives created a 4% growth rate between 1986 and 1994 (Wobst, 2001). However this economic growth rate failed to trickle down to the poor of the Tanzanian population, especially women, who continued to be marginalized and defenceless in the face of the introduction of cost sharing in social services such as health and education as a consequence of Structural Adjustments (see Mahanga, 2002; Lugalla, 1995; Biermann and Moshi, 1997). However, a distinctive feature of the effects of

SAPs has been the upsurge in informal sector activities, which largely acted as a shock absorber between rural out migration, and formal sector employment in Tanzania.

Below is a table showing some of the major political and economic phases that Tanzania has gone through in the last five decades of its independence. It includes some of the poverty reduction strategies discusses in this section as well as other acts, policies and development programs that have been instrumental in shaping the development pattern that Tanzania has taken in its quest to reduce poverty and promote the development of its citizens.

Table 1.1 MAJOR POLITICAL AND ECONOMIC PHASES IN POST- INDEPENDENT TANZANIA.

YEAR	POLICY	ACT	DEVELOPMENT PROGRAMS	SIGNIFICANCE FOR;		
				POVERTY REDUCTION	INFORMAL ENTERPRISES	GENDER COMPONENT
1967	Socialism and Self Reliance		-Soft credit targeting smallholder farmers to improve productive inputs -Universal primary education -improve human capital	-Government considered capital intensive enterprises supported by foreign investment as exploitative -Nationalization of all major means of production – industry, plantation, commerce and mines	-Informal enterprise discouraged as unproductive – and those in informal business viewed as idlers to be banned from urban areas -Private sector – replaced by state owned, centrally planned and controlled economy	-General policy articulation with no specific attention paid to women or gender concerns
1971		Law of Marriage Act	-law of marriage protects the interests of married partners under appropriate circumstances of their marriage	-In practice this legislation undermines women's rights especially in instances of divorce and division of matrimonial property thus enhancing women's vulnerable economy and poverty status as it regards customs which tend not to favour women	-In the case of divorce, the court can protect the assets of the parties involved having considered their entitlement following their contributions towards attaining those assets	-Provides basic civil rights in marriage and divorce -Issue of inheritance still under customary, Islamic and statutory laws which do not favour women
1975		-Employment Ordinance - Ujamaa Village Act	Tanzania has signed a number of commitments promoting employment of women, and best practice standards in employment	-Restrictions in specific occupations like mining as well as certain working hours discriminate against women exacerbating their poverty status and low pay -Gender gaps exist in formal employment due to norms and traditions around the appropriate role of women	-Women still in casual, low skilled poorly renumerated informal sector employment' -Informal enterprises discouraged in place of Ujamaa villages, co-operative and communal ownership of means of production	-Occupation conditions should be regulated to ensure safety, equal opportunity and equal protection for both women and men
1979	Convention on the Elimination of All forms of Discrimination Against Women (CEDAW)	Tanzanian government ratified CEDAW in 1987	-Promote equality of women in civil, cultural, economic, political and social life	-provided right to financial resources such as banks and credit -Access to agricultural credit and loans, marketing facilities and appropriate technologies	-No deliberate move to promote informal enterprises especially for women	-Women still left out of access to financial resources and decision-making and policy level
1986	Structural Adjustment Programmes under IMF & WB		-Promote economic growth and investment through efficient resource allocation and market restructuring	-Market liberalization through reduced state control of import, export trade -Introduction of user fees for social services	-Local enterprises collapsed due to high taxation, lack of capital and flooding domestic market with cheap imported goods such as clothing	-Taxation and user fees highlighted economic inequalities between men and women and those in formal and informal

	-ERP 1 & 2 (1988/89-92/93) ESAF (1996/97-98/99)		-Adapted ERP 1 & 2 aimed at monetary stability and economic growth	-Programs aimed to reduce state control and promote private sector activities	-Females had access to and control of cash incomes through informal income generating activities -Upsurge in informal sector activities	employment -Women are marginalized and defenseless to the new economic situation especially due to cost sharing in health and education – with those in rural areas more severely affected
1991	Financial Sector Reforms		-Liberalization of interest rates -Restructuring of state owned financial institutions -Encourage private financial institutions -Mainstreaming microfinance services	-Reforms brought efficiency and competition in banking -Reforms also widened the institutional gap in financial services to lower income segment particularly women	-NGOs encouraged to participate in provision of microfinance	-Women identified as low income segment thus actively encourage for access to financial services with no regard to household and communal distribution of resources
1992	Women in Development Policy		Aimed at improving women's circumstances by introducing them in development projects and programmes	-Women given small loans and reproductive health support	-Women entrepreneurs supported -Training provided to women -Establishment of women's development fund in 1993/94 to enable women's wider access to credit facilities	-Women provided access to credit facilities as well as training through the Training Fund for Tanzanian Women(TFTW) project 1990 – 2003. This fund was bilateral between Tanzanian government and Canada through the CIDA
1995	Vision 2025		-Aims to recognize individual initiative in private sector as well as attain gender equality and empowerment in social, economic and political relations in culture by 2025	-Aims to achieve a high quality of livelihood for its people through good governance, rule of law and strong competitive economy	-Cultivate a culture and habit of saving and investing productively for individual, community and household wealth creation	-Policy promoted and nurtured hard work and creativity for entrepreneurship and self development through fostering attributes of hard work, self confidence, self esteem and gender awareness.
1995	Beijing Declaration and Platform for Action		-aims to link women's participation in institutional politics with their empowerment in their social and economic life	-Provision of micro-credit, education, training to women is underscored	-Establish government supported credit facilities targeting women	Facilitating women's access to financial facilities in the form of credit, training in entrepreneurship and business management and markets.

1997			The National Poverty Eradication Strategy (NPES)	-Empowering women and the poor to participate effectively in poverty eradication programmes to reduce absolute poverty by 2025	-Improving people's economic growth and people's incomes	-Ensure gender sensitivity in leadership participation, -Promoting women leadership skills in village & district councils, and wards
2000	The National Micro-finance Policy		-Provide framework for harnessing micro-finance interventions in development	-Underlying principles of the policy based on sustainability and best practice as headed by Bank of Tanzania	-Microfinance is part of country's financial markets governed by market forces	-Micro-finance services providers encourage more women clients
2000	Poverty Reduction Strategy Paper 1 with IDA & IMF -support through the HIPC initiative		-Contains macro-economic structural and social policies for growth and reduction of poverty -Eligibility for multilateral investment	-Development of micro-finance facilities to ensure access to credit for poverty reduction -Debt relief mainly for 'priority sectors' of education, health, women, agriculture, rural roads, the judiciary and land	Promote enabling environment for micro, small and medium enterprises and informal sector activities	-Gender identified as a cross cutting issue in all sectors of development. -Women targeted for micro-credit schemes -Poverty and inequality levels are still high
2000	Gender and development policy (replacing women in development policy of 1992)		Directs stakeholders to focus on women's participation and control in all levels of development	Improved credit facilities and savings and credit schemes	Enable women to participate effectively in realizing their capacity to utilizing available resources to increase incomes, eradicate poverty and raise their standards of living	To ensure gender mainstreaming in all government policies, programs and strategies through capacity building and awareness creation in importance of women and men working together towards their own development
2001	A National Plan of Action for the Prevention and Eradication of Violence Against Women and Children		A SADC addendum aimed to conduct training in enhanced entrepreneurship skills for women	Empower women's capacity through training in entrepreneurship skills	Sensitize women on the establishment of savings and credit cooperative societies	Micro-credit schemes sought to end violence against women
2005	National Strategy for Gender Policy		Challenges and provides guidance on interventions and roles of actors and coordinating for participation	Highlights gender quality and provides interventions and identifies roles and mechanisms for participation	Increased micro-financial services targeting women -increased number of training on entrepreneurship, legal rights, markets	Women economically empowered through economic groups and access to credit for income generating activities

In November 1996, the International Monetary Fund (IMF) approved a three-year credit under the Enhanced Structural Adjustment Facility (ESAF) to support a new phase of Economic Recovery Programme (ERP2) for 1996/97-1998/99. 'The IMF and other donors expressed their satisfaction with the economic developments in Tanzania especially considering the negative effects of the 1996/97 drought and 1997/98 El Niño floods. In particular, they welcomed the continuous overall growth, increasing gross reserves, strong fiscal stance, tight monetary policies, and structural reforms such as the introduction of VAT in July 1998, the effectiveness of the government's cash management system, and the privatisation of parastatal entities' (Wobst, 2001:14). However, the positive indications of these economic transition processes in the short and medium term did not exclude Tanzania from depending heavily on international financial assistance, nor did this positive economic picture substantially change the impoverished lives of the most vulnerable of its population.

While economists and politicians alike emphasised the positive outcome of the economic scenario in Tanzania in this period, the situation at the household level was different. Many households were left feeling vulnerable and poorer. They suffered loss of life and property as a result of the droughts and floods. The poor were more prone to diseases such as malaria and typhoid while money for seeking medical attention and rebuilding their lives was in short supply. Women and children were most affected. Cultural norms and economic conditions diminished their chances of productivity and potential to improve their lives and those of their families.

At the same time, various plans and programmes were announced and implemented, aimed at expanding and strengthening social services, such as education, health facilities, water provision, transport and communication, agriculture and the whole country's economy at large. Mahanga (2002) shows that these efforts, however, have not yielded the desired results. Although they are well intentioned, these initiatives fail to address women specifically and principally as the most vulnerable class among the poor who in Tanzania. Instead, they offer indiscriminate solutions to poverty in general and merely scratch the surface of women's poverty, leaving untouched other important issues such as gender inequality and unequal power relations at the household level. This state of affairs arises from women's invisibility at the policy-making level; hence their concerns remain largely eclipsed and unheard.

Interesting arguments have been raised by the debate on the invisibility of women in the development process. Boserup's (1970) thesis is a classic example highlighting women's unrecognized and unvalued contribution to economic development in Africa. Sadly, this trend prevails today; women's contribution is pushed to the informal sector, and is as undervalued in Tanzania as it is elsewhere. Although Tanzania has ratified international conventions such as the Convention on the Elimination of Discrimination Against Women (CEDAW), women are still conspicuously absent at policy-making level. There are few women at micro-credit leadership level, consequently, their contributions – whether creating the vision as members of a board of directors, designing products and services, or implementing programmes – are absent, although women are micro-credit's major concern (Daley-Harris, 2002).

In 1997, Tanzania adopted the National Poverty Eradication Strategy (NPES), aimed at providing guidance to all stakeholders in identifying, formulating, implementing and evaluating their poverty. The overall goal of NPES was to provide a framework to guide poverty reduction initiatives in order to reduce absolute poverty by the year 2025. In 1999, Tanzania prepared and adopted the Development Vision 2025, as an addition to the NPES, to address the key challenges of reducing pervasive poverty. Some of these initiatives are yet to be fully implemented and lessons drawn from them.

As a new initiative towards poverty reduction, in 2000 the International Development Association (IDA) and the IMF agreed to support a comprehensive debt reduction package for Tanzania under the enhanced Highly Indebted Poor Countries (HIPC) initiative. Tanzania's desire to qualify for HIPC funds resulted in little time for data collection and analysis of poverty, or to initiate thorough consultation with a wide range of the civil society. According to Bell (2003), consultation with civil society groups began in May 2000 and the final draft of the PRSP was submitted in October 2000. Moreover, Mbilinyi (2001) argues that these consultations were in the form of 'tokenistic' workshops by some NGOs. They lacked detailed policy debates that would allow the government to rubber-stamp the process in the absence of adequate programmes or economic literacy that informed the civil society what was expected of them in the process. Due to the inadequate consultation processes and poverty assessment, 'the poverty diagnosis on which this initiative is based does not adequately explain how the nature, causes and impacts of poverty are different for men and women' (Bell, 2003:21) This assistance was conditional upon the adoption and implementation of a participatory Poverty Reduction Strategy Paper (PRSP). The government of Tanzania fulfilled this condition by preparing the PRSP with more input from foreign creditors and donors than from its own citizens. This was mainly due to the exceptionally compressed duration it had for consultation (six months) and also because it is dependent on donors and creditors for the majority of its development budget and to survive, it had to heed to its creditors and donors. For this reason, the PRSP lacked credibility since it lacked the informed participation of its own citizens who were excluded from key decisions about the economy or cross cutting issues such as the environment, HIV/AIDS, gender or empowerment. The first PRSP was followed by the second one in 2004. The Tanzanian government claims this improved version builds on the achievements and lessons learnt from preparing the first PRSP. Achievements are said to be in the areas of primary education, basic healthcare and access to safe water. This second paper was developed following broad consultations with national and international stakeholders in the context of the enhanced Highly Indebted Poor Countries (HIPC) initiative. The PRSP report prepared in April 2004 shows that in spite of the above achievements, there is still enormous ground to be covered in terms of growth and maintaining momentum for socio-economic reform, especially for women, children and the most vulnerable group, the poor as a whole.

PRSPs have become de facto World Bank/IMF - mandated national economic plans directed at reducing poverty. They are supposed to be country-owned, expressing not only government but also broad civil society interests solicited through a participatory process (Zuckerman, 2002). PRSPs play a critical role in determining country eligibility for multilateral investment. As such they need to address the gender dimensions of poverty via the use of gender responsive interventions. These include sex-disaggregated data, which distinguish how poverty and its component elements affect women and men differently. Such an analysis could enhance the likelihood of the success of poverty reduction strategies (Bell, 2003). Research has shown that gender disparities have greatly contributed to the failure of previous poverty reduction strategies (Zuckerman, 2002). The use of sex-disaggregated data itself does not conclusively show that women will benefit. It has been shown that even if a household's income does rise, there is still a risk that the situation of some members of that household could deteriorate, especially when the extra income is not used for the benefit of the entire household.

The second PRSP reveals that women's economic empowerment (or the lack of it), and the disparity between urban and rural poverty as well as poverty within regions, still remain matters of great importance to the government of Tanzania in its quest to eliminate poverty and achieve development for its people. In this respect, the paper acts as an eye-opener to the issues concerning women and the improvement of their quality of life. For instance, the Ministry of Community Development, Women and Children (MCDWAC) put together a document containing recommendations for incorporating gender concerns that had been ignored in the PRSP, and which it was felt were key priorities in women's lives in Tanzania. 'These issues include gender discrimination in regard to customary ownership of property, wage employment and decision-making at the household and national level, the urgent need for improvement in maternal health services, support for food production and marketing within the country, and the eradication of gender discriminatory practices within the social services and economic infrastructure which were not included' (Bell, 2003:25). Although these issues may have been included in the PRSP, they are add-ons, an afterthought and, sadly, that is how they are treated at the implementation level, where they are given only lip service (Zuckerman, 2002; Mbillinyi, 2001).

PSRPs generally focus on the market economy without recognising how the economy is gendered. They tend to analyse poverty using generic household consumption data, which is largely based on the assumption that households equitably pool income and allocate resources for consumption, production and investment. It is known that women lack the power and resources to influence resource allocation and decision making in the household (Gordon, 1996; Swantz and Tripp, 1996; Rahman, 1999). Not only do women lack power within the household but they do not necessarily have joint budgets with their spouses, as can be seen in Chapter Six. For this reason, the household is not a proper unit of analysis by which to gauge women's poverty. Consequently the 'market economy is emphasised at the expense of the household economy' (Bell, 2003:25). Despite the fact that PRSPs require participatory consultations, gender inequality and powerlessness learned from early childhood make poor women's participation appear negligible, since they do not customarily participate in decision-making on matters that directly affect their lives. PRSPs advocate creating a favourable enabling environment so that women can join the ranks of both formal and informal income generating activities, hence reducing income poverty as well as food poverty among them. This, however, is to be done without addressing the factors that cause women to be effectively phased out of these areas in the first place.

In 2000, Tanzania adopted the millennium development goals of reducing poverty by half by the year 2025. However, it decided to localise these development goals by modifying them to suit the Tanzanian experience. To begin with they called the Tanzanian version the National Strategy for Growth and Reduction of Poverty (NSGRP), which is commonly referred to by its Swahili name 'Mkakati wa Kutokomeza Umasikini Tanzania' or (MKUKUTA). This poverty reduction strategy has been formulated with the sole objective of reducing poverty amongst all Tanzanians in general. To achieve this it has deliberately set out to mainstream crosscutting issues such as the growth and reduction of income poverty, improved quality of life and social well-being, as well as governance and accountability. Although these strategies claim to be the answer to Tanzania's long struggle with poverty reduction, they resemble initiatives that have been employed before with little success. MKUKUTA aims to reduce the poverty of all Tanzanians by improving their quality of life. This claim is all too vague, and improving quality of life is all too subjective; what might translate as an improvement to 'quality of life' for certain poor individuals or groups of people might not have similar effects or meanings for others. Besides, what parameters are to be used to measure this improvement of the quality of life? The vast majority of Tanzanians have very different poverty concerns due to variables such as gender inequality, the norms and values of their various traditional influences, education, region, location and rural/urban concerns.

Despite the good intentions that MKUKUTA may have, it can be argued that it still feels alien as regards poor women. It inherits the top down approach of previous initiatives, which disregard poor women's real-life experiences and concerns. If poor women participated and their views were incorporated during the making of these strategies, they could possibly have different outcomes, and address the really important issues for poor women's advancement, including an appreciation that issues of money, finance and enterprise are not necessarily central to poor women's poverty concerns. Even though poor Tanzanian women are left out of the process of drafting these initiatives, they are expected to work effectively towards bringing about the desired outcomes. As long as poor women are excluded from important policy issues which have a potential life-changing impact on their lives, they will have no sense of ownership of the strategy proposed. Such a strategy could stand a better chance of bringing about some change if it incorporated right from the beginning, poor people's views about what is important to them, and how they would like to work together to achieve their identified goals.

Apart from MKUKUTA, an additional initiative was introduced much more recently (on 30th November 2006) called MKURABITA, 'Mkakati wa Kuratibu Biashara Tanzania' or Tanzania's Property and Business Formalisation Programme (TPBP). This initiative was launched under the chairmanship of Mr. Benjamin Mkapa, the third-phase president of Tanzania. Initially, MKURABITA aims to empower the marginalized people in the informal sector by recognising their properties. It intends to assist them to register these properties so that they can be used as collateral. MKURABITA was therefore adopted to help poor people obtain credit by allowing them to use their property, business assets and other opportunities in the modern market economy to increase their income. MKUKUTA and MKURABITA are interrelated economic interventions implemented by the government to provide relief to the medium and lower ranks of Tanzanian society. While MKUKUTA targets all the poor in their struggle to improve their welfare, MKURABITA focuses on petty traders. This initiative is good news for the poor, especially the petty traders in the informal sector as it is the first such body in Tanzania that aims to represent them, and can air their concerns and grievances. Besides, petty trading is a crucial part of poor women's lives, as is discussed below.

By design, MKURABITA excludes poor women, who are unlikely to meet the criteria set by the initiative, as they do not own the kind of property or assets that are relevant to it. The initiative will probably target those business people that are already well established, rather than the struggling up-and-coming masses, of which women are the majority within the informal sector.

Moreover, petty trading is very important to poor women, as many are petty traders operating within the informal sector. Consequently, it is these petty income generating projects that qualify them as clients of micro-credit schemes, a poverty reduction strategy that provides credit with the aim of reducing these women's poverty.

Once again MKURABITA is a top-down approach which tends to ignore those it sets out to cater for (the poor), because they are only included at the implementation stage, and it fails to acknowledge poor women's reality. The majority of poor women lack access to property and assets for a number of reasons, yet MKURABITA encourages the use of property and assets as collateral, permitting the poor to gain access to financial services. With participatory planning, MKURABITA might have been based on a more realistic and helpful understanding of the actual form in which poor women hold assets, an issue that is discussed in more detail in Chapter Seven. It also is insensitive to the gender concerns of the majority of those involved in the informal sector (poor women).[5] MKURABITA appears to be an attempt to formalise the informal sector by introducing principles similar to those applied by formal financial institutions, in this instance the use of property and assets to be used as collateral by the poor. Those who do not have such properties in the informal sector are excluded. How are they going to benefit from such an initiative if it divides and separates even among the poor within the informal sector itself? There are few members of the Tanzanian public who are benefiting from these initiatives which only deal with the tip of the iceberg of poverty and leave the majority of Tanzanian's languishing in poverty.

Having reviewed the general poverty reducing initiatives that the Tanzanian government has initiated, now let us look at other initiatives for reducing poverty that have been aimed specifically at women. Many programmes and interventions have been put in place since the 1975-85 International Women's Decade, when women were said to be the poorest of the poor of the world's population. Women have become the focus of many development projects since the 1980s when attention was turned towards using credit as a crucial tool for development. Micro-credit emerged as a popular strategy in the fight against poverty in this period when the World Bank adopted it as a model for empowerment and rural development following the success of the Grameen Bank's scheme among poor women in rural Bangladesh (Wahid, 1993).

Now there is almost a global consensus that micro lending to the poor is the key element for the 21st century's economic and social development (Micro-credit Summit, 1997). This was occurring during a phase when major donors and other important development stakeholders were shifting focus from state-based interventions to market-based interventions. Market based interventions were envisaged as a solution to the problems of subsidized credit of the state-led era, criticized for its unrealistic assessment of people's ability to repay, thus often resulting in the impoverishment of both the borrowers and the state alike (Johnson and Rogaly, 1997). State-led, subsidized credit frequently bypassed women because of its focus on agricultural extension, which is predominantly a male domain in Tanzania as it is in most other African countries. Even though it was the women who performed most of the agricultural work, they did not own the land, a factor that was crucial in accessing credit. Hence women were not only excluded from access to resources but also consequently became more pauperized from losing both productive resources and the benefits arising from their labour (see Chambers, 1995).

Micro-credit programmes targeting poor women have been promoted as a key strategy for addressing both poverty reduction and women's empowerment (Mayoux, 2002; Daley-Harris, 2002). Those promoting micro-credit programmes for women argue that female-targeted micro-credit services are an important contribution to household-level poverty reduction. Access to credit and participation in income generating activities is assumed to strengthen women's bargaining position within the household, thereby allowing them to influence a greater number of decisions in poor communities where men are the dominant decision makers. Since the mid-1980s, many women-focused development projects have offered credit alone, as the missing piece in the development puzzle. Micro-credit programmes have been creative in developing products and services that avoid barriers that have traditionally kept women from accessing formal financial services, such as collateral requirements, male or salaried guarantor requirements, documentation requirements, cultural barriers, limited mobility, and literacy. There have been many arguments in favour of the positive effects of micro-credit programmes on the lives of women, ranging from increased control over their own income, an increased role in household decision-making, to enhanced self-worth and social capital, and offering a forum for networking and organizing to challenge gender inequality (Swantz and Tripp, 1996; Creighton and Omari, 1995).

There have also been arguments for a number of non-economic benefits for poor women, which have resulted from their involvement with micro-credit. Studies based on the South Asian experience of poor women micro-credit clients (Kabeer, 1998; Pitt, Khandker and Cartwright, 2003; Wahid, 1993) present examples of these non-economic benefits. From an African experience, studies which show these benefits for poor women include Duddy, 2002; Mayoux, 2002; Sweetman, 2001. There is raised awareness among many women recipients of credit about hygiene, diet and health issues both for them and their families. The social capital and networks that have emerged from micro-credit groups have known to evolve into self-help groups of women assisting each other in times of difficulty, for instance during funerals, looking after the sick and childcare. They also help each other during ceremonies such as weddings, religious ceremonies and even during birth. Group members get together and pool their resources in order to help their fellow woman out. Such groupings are importan t for poor women, and they maintain these groups as a social investment. Some poor women belong to more than one of these groups.

1.3. NATURE OF WOMEN'S POVERTY IN TANZANIA.

The previous section outlined Tanzanian poverty development policy history and explored some salient gender concerns in these policy shifts. This section looks at the literature and thinking about women's poverty. Studies from Africa (Gordon, 1996; Mbuguni, 1994; Blackden and Bhanu, 1999) suggest that the status of women has worsened since the 1980s. In rural areas, women still grow most of the food crops and fetch water and fuel. Women also do much of the work on cash crops, work on other people's crops to earn cash, and do non-agricultural work for cash as well as participate in community self-help activities. Despite all these economic activities, women are on average the poorest of the community in Africa. Women in Tanzania are no exception. These women perform most of the agricultural and domestic work as well as caring for other members of the society. In the urban areas, with only a few exceptions, most of the women are largely engaged in petty enterprises within the informal sector, stereotyped by gender, require little capital investment and operate on low turnovers where prospects for growth and upward mobility are small. From the mid-1990s in Tanzania, following the economic crisis of the 1980s, and the accompanying effects of Structural Adjustment Programmes (SAPs), women were called upon to contribute even more of their time and resources towards development of the country as a whole, with the promises of access to resources and becoming empowered (Swantz and Tripp, 1996).

Women remain poor in Tanzania as a consequence of the historical legacy of inadequate education, social prejudices and lack of legal rights (Rwebangira, 1996; Omari, 1991). Customary laws prohibit women from inheriting property, except for Muslim women[6] whose religion gives them a right to inheritance. In the labour market, women are more vulnerable, as they are often the last to be employed and the first to be laid off because the cultural norms value men as breadwinners. All these factors handicap poor women in their income generating ventures. Women's concentration in the informal sector has largely been attributed to their lack of education, skills and training, as well as patriarchal traditions (Rwebangira, 1996; Mbuguni, 1994; Tripp, 1997a). On a related note, this situation can be seen as a manifestation of the sexual division of labour and exploitation of the capitalist world market system (Mies, 1998). In this context, women in Tanzania found themselves concentrated in the informal sector, in occupations and small businesses considered to be within the female jurisdiction (Tripp, 1989). Their struggle to reverse this trend and become involved in more profitable activities has not been easy, and as a result, they are producing items for the local market, which are below the standards required in the international arena. The market has become redundant and women ever more frustrated.

Mies (1998) argues that integration of women into the development process is based on the social construction of women as housewives under capitalism. This generalization of women as housewives plays a considerable role in explaining why women in Tanzania remain poor. 'Housewifization' means that women who belong to the private sphere (home, nature) could now be exposed to the public domain (breadwinner). These changes are being implemented while ignoring the fact that the local [Tanzanian] culture does not see women as breadwinners. This may be the reason why some of the women who get credit hand it over either to their husbands or other male members of the household as the ones who should be handling these matters. Such a situation has led research on micro-credit use to wonder why women do this (see Rahman, 1999; Kabeer, 1998; Pitt, Khandker and Cartwright, 2003). Some women may not give the money they received to their husbands or male members of their family but will ask for advice on how they should use it. Again, local culture dictates that it is not the place of women to be decision-makers. Lack of decision-making power, coupled with restrictions on mobility outside their households, could explain why Tanzanian women fail to prosper in their income generating activities.

Even where a few women have ventured into the public domain and have become entrepreneurs, they still face problems with venturing into what is considered the male domain. They face the sanction from local cultures and patriachy, making it hard for them to break even (see Chambers, 1995). Within the informal sector itself, where the majority of these women conduct their income generating activities, there appears to be what has been described as 'a manifestation of the sexual division of labour with women not only being confined to certain types of jobs, particularly those that are household-based or associated with their traditional domestic skills, but also ones with least status and lowest pay' (Brydon and Chant, 1989:178). It can be argued that this state of affairs persists mainly because the business projects that these women are engaged in build upon the skills and roles that women already possess in handicrafts, cooking and beauty salons. Although there is demand for these services, they do little to break down gender stereotypes. In many patriarchal societies, women's gender role activities are regarded inferior to men's roles and activities. Language in particular has been used effectively in such cases. Women who are considered to challenge the norm have been referred to using negative and unpleasant adjectives. Some of the negative terms commonly used to refer to these women include 'jike dume' (Tom Boy) and 'shangingi'- a term that also refers to big, four wheel cars that are out of reach of the common Tanzanian. When used in reference to women, it implies a woman who has money and/or a big business and is in a position to get most things she may desire including men- using her financial circumstances. The term also makes reference to a woman with loose morals. Such language discourages women some of whom may scale down or quit altogether. Those who persevere take longer to gain the fruits of their labour compared to men. This in turn forces women to engage in activities that are considered safe. These usually have low yields and hence women remain poor. Examples of how language can be used to discourage women's advancement in business will be discussed in Chapter Seven.

Tanzania is a heavily patriarchal society where all the major decisions and resources favour men above women. It has been customary to treat women as legal minors, unable to make independent decisions and hence they are seldom consulted (Kevane, 2004). This situation has led Swantz (1985), for example, to state that women have been ignored in development, and that their invisibility is due to social structures and systems. The existing customary laws favour men's property rights over women, who are therefore excluded from owning the resources necessary for development. Patriarchal practices favour men and boys in education, employment, access to information and skills. All these factors accord women a subordinate position in all-important decisions regarding the development of their society. This study argues that providing credit to women without addressing such issues is unlikely to raise women out of poverty in Tanzania, further highlighting the study's main argument that giving credit to poor women is necessary, but not sufficient, to eliminate poverty and promote empowerment.

The policies advocated by Tanzania for poverty reduction are to a large extent fostered by external influences. Specifically, they have been influenced by the policies of the World Bank and IMF, for example, the SAPs and PRSP. Maria Mies (1998), analysing the World Bank policies, states that in spite of all the rhetoric on women and development, it has become clear by now that capitalism is not capable of solving the problems of women generally, particularly not of poor women in the poor south. This is mainly due to the nature of the projects that are designed to assist women overcome poverty. As Brydon and Chant (1989: 220) assert, 'these projects rarely work because they involve governments and international aid agencies in unfamiliar and sensitive areas involving cultural, political and social status quo, therefore they are unpopular with policy makers.' It is these policy makers who promote policies at the local level for local implementation. Without their support, these projects are likely to fail even before they are implemented.

It can be argued that women's access to economic resources through participation in income generating activities in the informal sector is not a way of breaking the structure of control facing many poor women. Change in one dimension alone, however significant it may be, is insufficient by itself to bring major improvement in the position of women in Tanzania. Income generating activities aim to rectify income poverty, leaving untouched the gender, cultural and patriarchal relations which determine and discriminate against resource distribution among women. More wide-ranging strategies are necessary, based not on individual women's informal networks and associations, but on organizational forms of collective pressure to tackle gender biases within Tanzanian society. Studies have shown that compared to men, women generally have more limited social and business networks of the type that facilitate access to financial services and income (Zuckerman, 2002). Moreover, in order to balance the equation, there is a need to study men's responses to changes in economic opportunities, household responsibilities and the income generating activities of women. However, men are not included in my study. This is an issue for a further study altogether.

1.4 THE HOUSEHOLD

The interest in the household in this study stems from the desire to understand how poor women cope in situations of economic adversity, to examine the household/family as a major site of women's oppression, and to analyse it as a mediating variable not only between money and micro-credit agencies but also within the social relations that mediate decision making. Studying the household from an African perspective is interesting because it is a term that was adopted by traditional anthropology, as an alternative to the concept of the family. The concept of the household helps to illuminate power relations and the power struggles that go on between the genders at the household level. Men and women have different rights, resources and responsibilities within the household. It follows that understanding the processes of household decision making and resource allocation may shed light on these differences which are important for issues such as poverty reduction and micro-credit initiatives targeted at individuals within these households. This understanding may help design policies and strategies that address these differences and hence stand a better chance of meeting their desired goals. According to Quisumbing and McClafferty (2006:105) 'understanding these differences and their effects is critical if policy makers are to improve livelihoods, since increasing the bargaining power of one gender rather than another can mean the differences between policy failure and policy success'.

1.4.1 **DEFINITIONS OF THE HOUSEHOLD**

Creighton and Omari (1995:3) define the household as 'the collective identity of a group of individuals unified by commonly held factor endowments and one or more of the following: a common budget arising from greater or lesser degrees of income pooling, common cooking quarters, and/or a common residence.' This definition is problematic as it assumes that the household is a unitary actor, thereby ignoring antagonistic interests that occur within households due to different priorities and interests of individual members within households, and the relations of exploitation that may exist between them. This definition, also fails to explore the mechanisms of negotiation and decision making within the household and how these are affected by differences of power and resources.

The household has also been referred to as, 'a collection of individuals engaged in productive activities, but retaining the fruits of their own labour to a large extent' (Caplan, 1997). This definition provides only a narrow focus for the concept of the household. It tends to centre on production relations, implying that individual members amicably come together for a particular productive purpose and also share or divide the fruits of their collective labour for the common good of the household. It has been already documented that this may not always be the case, as there are contradictory and sometimes exploitative relations within the household. Moser (1999) has warned against assuming that the household is a natural socio-economic unit or that it is universally synonymous with the family.

According to Campbell (1995:181) the household is defined by the coastal Swahili as 'a residential and commensal unit' [is the smallest kin unit equivalent to a nuclear family involving a husband, wife and unmarried children. There may exist more than a single commensal unit within a household whereby every mother is responsible for caring for their children] and is neither a corporate property-owning unit nor a site of production and consumption. This is chiefly due to the high rates of divorce and fluidity of residential arrangements. Relations within this particular household are characterised by exchange rather than by pooling, since ownership is vested in individuals and not in the household as a unit. In a typical Swahili household, the relations are characterised by exchange due to the impermanent occupancy of the household at any particular time. There is a famous Swahili saying that equates a household to a temporary harbour which members usually visit or go to when they are faced with hardships, but are surely ready to move on as soon as the situation changes for the better. It is deemed safe for members to engage in exchange, which is based on the needs the household may have at the time. Rather than investing in long-term planning, members mostly planned for the short and medium term. Such a situation fiercely exposes the vulnerable members of these households, mostly women who have resources for neither short nor long-term purposes. It may also be a reason why they marry, divorce and remarry at such high rates. According to the Tanzania Bureau of Statistics (2005), the percentage of female headed households seems to be on the increase since the 1990s. Table 1.2 below shows the distribution of household by sex of the household head in Tanzania between 1991 and 2005.

Table: 1.2 Distribution of households by sex of the household head

	Dar es Salaam			**Other urban areas**			**Rural areas**			**Mainland Tanzania**		
	1991 / 1992	2000 / 2001	2004 / 2005	1991 / 1992	2000 / 2001	2004 / 2005	1991 / 1992	2000 / 2002	2004 / 2005	1991 / 1992	2000 / 2002	2004 / 2005
Male	85.9	79.1	-	76.1	72.1	77.2	83.3	77.9	74.9	82.4	77.1	75.5
Female	14.9	20.1	-	23.9	27.9	22.8	16.7	22.1	25.1	17.6	22.9	24.5
TOTAL	100	100		100	100	100	100	100	100	100	100	100

Source: Tanzania National Bureau of Statistics (2005)

The debate about the paradoxical nature of the coexisting relations of conflict and cooperation within the household is a long-standing one. It has led to speculation about how members make decisions, or create long and short-term strategies, due to the household's permeability and constant fluctuation. The debate has had a tendency to focus on couples, thus ignoring other subordinate members of the household, and taking for granted the formation of the household rather than making it an object of analysis. Studying the household is relevant to this study of poverty reduction because it reveals significant social ties that are important for helping families to cope with economic pressure. This study also reveals the enormous diversity in household structure and composition that needs to be considered when planning poverty reduction strategies aimed at the household. Studying the household also provides an opportunity to understand the domestic nature of budgeting, whether couples have joint or separate budgets and how this then affects the monetary practices and decisions made for the benefit of the household concerned.

1.4.2 **MODELS OF DECISION MAKING IN THE HOUSEHOLD**

Many decisions that affect the well-being of the individuals, or the process by which resources are allocated among individuals or the outcome of these processes are made up in the household (Quisumbing, 2003).The decision-making process at the household level is thus important given the variations in structure and composition of households. Omari (1991) suggests that studies on decision-making have tended to assume the model of a western nuclear family. This is largely inapplicable to Tanzania and most of the Third

World. In analysing decision-making typologies in sub-Saharan Africa, Kayongo-Male and Onyango (1984) identify three modes of decision-making within the household. First is the 'syncratic' mode where husband and wife jointly discuss issues affecting them as individuals or as a household unit. Second is the 'autonomous' mode where the wife and husband each make decisions separately on different issues related to the household's welfare. Third is the 'autocratic' mode, where one party dictates decisions to the other. Studies such as that of Morris-Hughes and Penna (1994), which focused their analysis on the key role of household decision-making and the process of resource allocation, came up with two frameworks for thinking about household decision-making. They are the 'unitary' model and the 'collective' model. The unitary model assumes that household members pool resources and allocate them according to a common set of objectives and goals. Under the collective model, the welfare of the individual household members is not synonymous with the overall household welfare.

In these typologies household decision-making women usually occupy the lowest level. Women tend to lose or sacrifice more in all respects because their needs are to be met in a situation where they are not the dominant party within the household. They have to rely on those that have the power, usually men or older female members of that household such as in-laws. The best they can do is to lobby for the household to make decisions in their favour. The implications of such a move will depend on maintaining good relations with other members of the household. It is in view of this scenario that I argue for comprehensive understanding of the situation of poor women in Tanzania especially in relation to credit money, given the policy assumption that they are supposed to determine its use, and utilise the proceeds to influence decisions in their favour within the household. It can be argued that money is given to these women without any clear perception of the characteristics of the households in which they live, the influence of the social relations within and outside the household, or the ability of individual women to influence or lobby for support from dominant decision-making members of that household.

The model developed by Kayongo-Male and Onyango (1984) above is useful in shedding light on the process of decision-making within the household. However, in focussing only on the husband or wife it effectively neglects other equally relevant members residing in the household, members who have strong influence when it comes to contributing to decision making; parents or in-laws are examples. Given the extended nature of most African household structures, relatives outside the household have been known to play an important role in decision-making. Creighton and Omari (1995) and Lugalla (1995) support this view by affirming that most households in African societies maintain close connections with relatives living far away and sustain these ties through regular visits, financial assistance and contribution and exchange of labour. There are usually more complex issues to grapple with. For instance, it is not usual for all parties to agree on all issues on all occasions pertaining to the welfare of the household at all times. Power struggles exist among different members for various reasons. Issues of cultural practices and socialization, education and even exposure may cause friction within households. These antagonistic relations are not captured by this definition, which implies tranquillity and harmony.

There has been much debate concerning the 'syncratic' mode (Creighton and Omari, 1995), especially in cases, common in many African households, where to survive in times of economic hardship one party, usually the male, migrates to other areas for employment purposes, leaving the wife and other members of the household behind. More recently, HIV/AIDS has led to the death of a spouse, leaving the woman alone to cope with the social relations with brother-in-laws and/or mother–in-law who may then take over positions of power in the absence of the male head of the household. Although widowed, women have often had to cope with these kinds of situations where decisions are still made by influential others in the absence of a male partner. In such circumstances, it is relevant to ask if the decisions made are for the interest of the household as a unit, or are skewed in favour of the more powerful members. It would be interesting to understand what happens when small amounts of money from micro-credit agencies are introduced into such a scenario. How do power relations and decisions work and balance, and who benefits? The decisions made may not necessarily be mutual.

1.4.3 **CULTURAL INFLUENCES ON DECISION MAKING**

Decision-making is also heavily culturally and traditionally embedded in notions of what is considered appropriate and desirable. Decisions are not always based on purely economic grounds. Cultural influences also affect forms of sexual division of labour and the value attached to such activities, socialization, household power relations, resource allocation and distribution as well as consumption patterns all of which play an important role in shaping the and actions of members within the household. These have a bearing on poverty reduction, since a member of the household may not perform activities simply because they are not 'considered' desirable for a certain gender. This has kept Tanzanian women, for instance, from working in certain male dominated occupations such as plumbing, on construction sites, or even driving passenger vehicles such as taxis, trains and buses. Even though this situation is slowly changing, with women pushing the boundaries of what is accepted as typical female or male occupations, still the majority of micro-credit clients are concentrated in trades that are regarded as 'female' within the informal sector. This study would like to understand the perceptions and implications of money that these women have of their income generating activities.

1.4.4 **GENDER AND HOUSEHOLDS**

Creighton and Omari (1995) and Swantz and Tripp (1996) suggest that households in urban areas have tended to focus on budgeting. Budgeting is a key area of decision-making since it relates to the way in which resources at the household level are used and controlled. Moreover, the type of budgeting system that couples use has been found to be an important indicator of the balance of power between them, just as it influences resource allocation and distribution. Quisumbing and McClafferty (2006:105) observe that 'the bargaining power of men and women crucially shapes the resource allocation decisions households make where husbands and wives often use their bargaining power to express different priorities about how resources should be allocated'. Creighton and Omari (1995) identify three examples of types of urban household budgets as those including; first, the joint account and second, the separate account, as used mostly by monogamous working couples. The joint account is not a very popular system and has created a lot of tension among couples due to issues of trust in withdrawing money from the account. Separate budget accounts are associated with both polygamous as well as monogamous households. Here couples are assigned responsibility for different bills and services; for instance, one party may be solely responsible for electricity bills while the other is responsible for food items.

Thirdly, is the form of household budgeting which involves contributing a certain agreed amount of money monthly to a separate fund established specifically to be used for household expenses. This system is common among upper working class families in urban areas and has been reported to work better among many couples than the other two. The first two systems do not apply to those who do not have relatively large funds. The third system does not work well with poor women who do not get a large lump sum of money on a monthly basis, but rather deal with smaller amounts more frequently. The reality is that the majority of women's income generating activities, offer the option of circulating small amounts of monies more regularly.

Hoodfar (1988:129) in Dwyer and Bruce 1988 (eds), investigating household budgeting in lower-income Cairo came up with patterns of budgeting that could be categorised into six different types. These included: first, a type where the woman was the financial manager, secondly, where she was the family banker, third, where she received a full housekeeping allowance, forth, where she received a partial housekeeping allowance, fifth, where the man was the financial manager, and sixth, where the husband was a 'guest' husband. In the final type, the husband only pays for certain things such as rent regularly, and occasionally and rarely may buy something for household. These types of arrangement could possibly be found within the households in Dar es Salaam. From some of the interviews, at least four types found in the Cairo study were mentioned by the women. The most common types being where the women either received a full or partial housekeeping allowance.

Micro-credit agencies often assume that married couples share everything in their household. This was not evident in Dar es Salaam where a number of the women interviewed made it consistently clear that married couples do not actually share everything, least of all money matters. One charcoal seller who is in a polygamous marriage as a second wife stated clearly that very close involvement of her husband in her financial affairs is limited. She was of the view that fully involving him could result in her children suffering as he would not provide for the children if he knew that she had money. Another possibility would be for him to take money to pay for his other wife's children, something that she would not allow. This woman's wish for non-disclosure of her financial position was primarily to protect her children's interest.

Yet some other women claimed that they hide their financial position from their husbands and even though they do reveal some financial information, they do not reveal everything since information is power, and they had to have an alternative for the sake of their children or emergencies. Holding on to this tiny bit of power in a patriarchal relationship is a way by which women use money to retain some power and protect themselves. This money can come in handy and save the day when other means fail. It can also be used for their personal enhancement or for their families back home.

Another interesting strategy that some of the women claimed to use for managing the household and business accounts concurrently was to not ever let their husbands know the amount of money that one had under any circumstances. This would force the husband to play his role as a provider of his family. This woman observed that if men knew exactly how much money women have, it would be difficult to get them to participate in providing for their families as they knew women had the alternative solution. Yet, other women felt that it was important to exclude men from total financial knowledge as men could not be trusted with money, they would rather spend it on drink, or other women than on their children. To avoid this, these women deemed it is necessary not to allow men to know exactly how they manage money in the household and their businesses. This way, women maintain some power over the day-to-day running of the household affairs although they cannot have total decision-making power without the consent of their husbands.

One woman recounted that when her husband had no money for school fees; she uses her own money to pay the fees. When her husband got back home, she would tell him that they still owe the school money. She would constantly remind him to show the urgency of the matter. When he finally gives her the money to go and pay, she would keep it because she had used her business money to pay the fees in the first place. She justified her action as a motivation to her husband, to make him look for money as letting him know that she can cover up in times of crisis will cause him to relax and not work hard to provide for his family. This example reveals a rather interesting conclusion about gender and household budgeting: men and women effectively keep separate and largely secret accounts. There is little here that could be described as joint household decision making, hence the micro-credit agencies' belief that once women get access to money they would then participate in household decision making does not match this reality. As a result of the separate and secretive way in which household money is managed, women [and presumably men] have to treat domestic finances much as they would business finances, with each developing strategies for improving their lot, even if this involves outshining each other. The other implication usually drawn from this is that there have to be transactions within the household because it is not just about sharing but trading within the household.

There exist many linkages with activities and members outside the household unit that play an important role in influencing decisions within the household. The decision-making is thus a complex process involving a multiplicity of factors and is affected in various ways by the household structure and its relationships to a wider society, which in turn affect power relations and resource allocation in the household. Furthermore, Bell (2003) argues that household incomes could rise while the position of the household dependants deteriorates, depending on who controls the finances and whether the finances are re-invested for the well-being of the whole household.

The effects of women's income in Dar es Salaam was mediated by a range of socio-cultural variables. Some women have resorted to accepting money or small tokens and gifts from a 'buzi' [boyfriend or male partner/s] as an urban survival mechanism. This is a conscious decision made by these women who frequently refer to their activities through phrases like 'hapendwi mtu, pochi tu' which translates as 'no real love or emotional attachment in these physical relationships; only money matters'. One woman pointed out that it is necessary for her to have a 'Buzi' to help her financially despite having a family of his own. This 'Buzi' has been particularly supportive in helping her with her repayments. Most of these women categorise these arrangements as being different from those of commercial sex workers. One woman explained this difference in terms of their arrangements do not involve negotiation over the amount to be paid. They see the exchange of sexual intimacy for financial support as part of their 'Ujanja' (cleverness of living in Dar es Salaam).

Most of the women who frequently use this phrase like to make out that they are merely using a resource bestowed on them by nature to survive in Dar es Salaam, no strings attached. They regard it as a means of supplementing their income to feed their children (see Shalge, 2002). Yet the discrepancy is that commercial sex workers are culturally deemed as evil and morally wrong. Geiger (1997:35) states that 'as long as women in Dar es Salaam were reasonably discreet in their behaviour, the administration accepted their presence'. A woman such as the one referred to above was of the view that as long as she conducted herself with some 'decency' then she was merely using her art of being 'mjanja' to survive in Dar es Salaam. This issue can obviously be contested; the commercial sex worker would argue along similar lines that she is simply making a living in the big harsh city.

Given that these women were micro-credit clients, there is need for more research both into how women use their earnings and into household budgeting and decision-making, before firm conclusions can be drawn about the direction and degree of change for women. Despite these complexities, micro-credit agencies expect poor women to rise above them and become empowered through accessing credit. An analysis which takes these things into account could hold answers to the persistence of poverty among Tanzanian women in spite of the availability of credit.

Many studies from Tanzania show that women generally do not participate in decision-making concerning resource allocation and distribution at the household level (Omari, 1991; Rutashobya, 1998; Swantz, 1985; Creighton and Omari, 1995). Men make most of these decisions. It follows that giving women access to credit facilities without taking into consideration such factors as existing gender relations, traditional practices and power relations in the household will not necessarily lead to the empowerment and poverty reduction intended by micro-credit strategies. This situation leads Omari (1991) to argue that money in itself is not a magical tool for societal development. He asserts that international development agencies assume that once money is available and a market economy is established among poor people, development will flourish. This he argues is more of a myth than reality. The reality is that women's development projects will not bring the desired development through capital assistance if women have no power to control resources, or make major decisions within the household as a consequence of gender discrimination and inequality. It is following such circumstances that Quisumbing and McClafferty (2006) argue that the manner in which household decisions are made affects policy and projects. In case of public income transfers to households for example, the unitary household model would assume that the household has a single decision-maker and pools its resources thus predicting that the impact of the household transfers will be unaffected by the identity of the recipient of the transfer. In contrast, the collective household model recognizes that individuals within households have different preferences and do not necessarily pool resources, so the welfare effects of a transfer may be quite different depending on whether the recipient is male or female. Unless these underlying circumstances are dealt with, women will continue to work hard but they will not change their circumstances or that of their households.

CONCLUSION.

This chapter has highlighted some important issues in poverty reduction. It has briefly reviewed poverty reduction policies in Tanzania since its independence and four decades on. Although women and men share many of the burdens of poverty, they frequently experience poverty differently, have different poverty reduction priorities and are affected differently by development interventions. Research suggests that women still remain vulnerable and exposed to even worse situations now than they were forty years ago (Bagachwa, 1994; Biermann and Moshi, 1997; Tripp, 1997a). The policies are at best alien to the reality of women's poverty concerns because they neglect women's actual and practical life experiences. Moreover, these policies only pay lip service to the effects of gender discrepancies, and the legal, social and cultural framework which suppresses women's advancement in Tanzania. The Structural Adjustment Programmes coupled with the Economic Recovery Programmes are good examples of the perception gap and non-participatory nature of the formulation of these policies. Tanzania's efforts to implement policies geared towards poverty reduction have had little result. It has received assistance from international organisations, and has even opened its doors to NGOs to join in its struggle to combat poverty and initiate development for its citizens without much success.

Giving money to poor women through micro-credit is generally a welcome idea; however, this 'money-only' approach of lending to poor women overlooks the role and meaning that money plays in their lives. The perception gap that exists between micro-credit agencies on one hand and their women clients on the other is a feature that could explain why micro-credit schemes have had difficulties in their quest to reduce poverty among women in Tanzania. Unless they address the socio-cultural and market aspects of women's poverty, and deal exclusively with the economic aspect of poverty, inadequate solutions will result that run the risk of further compromising women's fragile status. For poverty reduction strategies to make major advances, they have to take on board the reality of those whose lives they aim to transform, and work in collaboration to achieve a common goal. Nonetheless, poverty is a multifaceted and complex phenomenon, the scope and understanding of which constantly changes. Likewise, micro-credit schemes need to evaluate their understanding of poverty and incorporate some changes in their understanding, preferably from their clients' perspectives. The next chapter looks at the literature and theoretical framework used in the study to understand micro-credit and money among poor women in Tanzania.

Notes:

1. Various authors have written extensively on the poverty status of Tanzania in general. Mahanga (2002) discusses poverty from a lack of housing perspective, basing on the governments National Housing Corporation. Lugalla's (1995) discussion traces poverty from a historical perspective of the colonial legacy, which he argues is reflected in the present structure of living conditions as well as the survival mechanisms of the urban poor. Biermann and Moshi (1997) focus on the 'new poor', a class of people who are now in the ranks of the urban poor as a result of the effects of SAP redundancy, and cost sharing in social services in urban Tanzania.

2. SELFINA and PRIDE are the two micro-credit institutions selected for this study, although there are other NGOs providing micro-credit in Tanzania. Details of these two credit providing institutions will be discussed in more detail in Chapter Four.

3. On 9th December, 1961 and 10th December, 1963 Tanganyika and Zanzibar respectively became independent. On 26th April, 1964 Tanganyika and Zanzibar formed a confederation to become the United Republic of Tanzania (URT) and joined the British Commonwealth of Nations.

4. The Arusha Declaration formulates the following economic principles: (1) public ownership of the major means of production, (2) preferences for cooperative ownership, (3) a 'leadership code' to prevent officials from participating in private economic activities, (4) a policy of self-reliance with diminishing dependency on foreign capital, (5) the establishment of Ujamaa villages, (6) emphasis on food crop agriculture and rural development, and (7) public provision of health care and education.

5. The informal sector is important to this study because the majority of the poor women operate their income generating activities almost exclusively within this sector of the economy. It will be discussed in more detail in Chapter Five.

6. The usual Islamic inheritance is for daughters to inherit shares half the size of their brothers, the reasoning being that the daughter is provided for by her husband, while the son has to provide for his wife. In situations of dire poverty, only lip service is paid to this rule.

CHAPTER TWO

LITERATURE REVIEW AND THEORETICAL FRAMEWORK

2.0 INTRODUCTION.

The previous chapter has provided a background for understanding women and poverty in Tanzania. This chapter examines theoretical frameworks and identifies the literature referred to for purposes of understanding poverty, gender, money and women's predicament in Tanzania. It is divided into four sections. The first section on gender, poverty and development mainly discusses theories of gender and development used to analyse poor women's circumstances in Tanzania. The second section on micro-credit and empowerment reviews how these women are called upon to join credit schemes in order to reduce their poverty. However, the section notes that this is done without considering a number of their social-cultural circumstances. The third section analyses money from a socio-cultural perspective largely neglected by micro-credit institutions. The fourth section analyses the household and its decision-making patterns, which largely neglect women. Even though micro-credit schemes in Tanzania largely give money to women, they overlook the circumstances in which the women live or the role that the money plays in their lives.

2.1 GENDER, POVERTY AND DEVELOPMENT.

Gender is an important aspect in the distribution of rights, resources and responsibilities within households, communities and society. Gender issues are central to attaining the Millennium Development Goals (MDGs), which have been adapted as a framework for measuring development progress (Quisumbing and McClafferty, 2006). The Tanzania Poverty and Human Development report of 2005 states that Tanzania aims to attain gender equality and the empowerment of women in all social, economic and political relations and culture by 2025. As part of its commitment to attaining the (MDGs), especially MDG3, relating to the empowerment of women, Tanzania has addressed gender issues through different strategies for instance the 2005 National Strategy for Gender Development-which specifies how gender mainstreaming is to be implemented. It has also put in place policy such as the National Development Vision 2025 which aims to attain gender equality and the empowerment of women in all socio-economic and political relations and culture. Apart from ratifying international conventions such as CEDAW, Tanzania has also introduced legal and constitutional reform such as the special amendment of the constitution in 2000 prohibiting discrimination on the basis of gender and the laws in support of women's economic and social well-being, including the sexual offences (special provisions) Act of 1998. Tanzania has also introduced a gender responsive budgeting initiative institutionalized in all ministries and also has an affirmative political participation which includes women in decision making. The number of women's special seats in government has increased to 33 percent in local government councils and 20 percent in the union parliament (Ellis et al. 2007).

In the 2006 World Economic forum global gender gap report, Tanzania was ranked 1 globally, out of 115 countries in terms of women's economic participation (Ellis et al 2007:1). Yet Ellis et al go on to mention that caution should be taken in interpreting these results since the index used measures only gaps and not levels and relies on labour force participation rates which they generally deem to be problematic in Sub-Saharan Africa. Moreover, the Human Development Report of 2007/2008 ranks Tanzania as the 159th country in its list of Human Development Index. The same report awarded Tanzania the 44th place in its Gender Empowerment Measure based on data collected between 1996 and 2005. Tanzania seems to be making progress in creating the supportive environment for tackling the many challenges facing it in its quest to eliminate gender inequality and promote empowerment of its citizens. This supportive environment may have contributed to Tanzania being currently one of the largest recipients of foreign aid with a gender component as can be observed through the Organisation for Economic Cooperation and Development reports of 2005/2007. Tanzania is among the top ten recipients of gender equality focused aid which supports sectors such as health and population, economic infrastructural production, and other social infrastructure including women's equality (OECD, 2007).

In 1970 when the United Nations General Assembly reviewed the results of the First Development Decade of the 1960s, it was found that the industrialisation strategies of the 1960s had been ineffective and had, in fact, worsened the lives of the poor and the women in Third World countries. The Second Development Decade was therefore designed to address this and bring about sustainable improvement in the well being of individuals and bestow benefits on all (see Parpart, Connelly and Barriteau, 2000). Two decades later, not much had changed as Munck and O'Hearn (1999) observe that, despite aid and development, millions of Africans are worse off today than they were thirty years ago. They attribute this to the model of development being pursued, which they see as part of the problem rather than the solution. Although the development discourse originates from western culture, it has been taken to be a transcultural concept, thereby largely ignoring other worldviews as primitive and irrational. At the same time, it gives considerable emphasis to the economic mechanism of progress.

It is argued here that the definition of the economic as that which involves monetary, financial or profitable offers a limited conception of 'the economic'. Within the household for example, poor women find it difficult to differentiate between 'the economic' and non-economic because, at a practical level, there is a great deal of overlap between the two. Yet, 'money-metric' approaches continue to reign supreme among the tools used to assess poverty, as opposed to qualitative and participatory ones (Bridge, 2001). This study argues that poverty reduction strategies should focus on the reality of the lives of the poor that they are intended to assist. Neglecting this reality has lead to the formulation of strategies which are both unhelpful and unfavourable to the poor and have minimal achievements.

2.1.1 **WOMEN IN DEVELOPMENT**

Women in Development (WID) is based on the underlying rationale that the development process would proceed much better if women were fully incorporated into them (instead of being left to use their time unproductively)

(Moser 1993:3).Evidence of the above situation was already available in Ester Boserup's thesis (Boserup, 1970), a landmark that inspired the emergence of the Women in Development theoretical approach in the early 1970s. During the 1970s and 1980s, three common factors stood out for the WID policy. These included –focusing on women as an analytical and operational category; the setting up of separate organisational structures for dealing with women, and the development of women specific policies and projects (Chant and Gutmann, 2000).

Representing a merging of modernization and liberal-feminist theories, the WID approach sought to enhance women's access to the development process through access to education, training, property, credit and better employment and access to the cash economy. It unquestionably assumed that women would benefit by being slotted into existing (male biased) development structures (Chant and Gutmann, 2000:7). It argued for women's inclusion in the public sphere and political representation. It embraced the equity approach, which saw women as active participants in development, seeking to meet strategic gender needs through direct state intervention, giving political and economic autonomy to women and reducing inequality with men. This tendency to concentrate exclusively on women provoked doubts about its efficacy and desirability. Its equity approach has been attacked as an ethnocentric, western feminist agenda which does not address issues of women's development in the developing countries (Gordon, 1996).

Because of its heavy reliance on modernization theory, WID generally assumed that western institutions hold most of the answers to the development of Third World countries, thus ignoring the possible contribution of indigenous knowledge (Parpart, Connelly and Barriteau 2000). WID tends to see development as 'a logistical problem', an activity to be performed by governments. With the ending of government support in development activities as a result of Structural Adjustment Programmes, this approach seems to be losing its grip in influencing development in Third World countries such as Tanzania.

As a model of development, WID fails to effectively help poor Tanzanian women because it views their problems in isolation from their social and cultural concerns. For instance, WID campaigns for women to be given equal access to credit and financial facilities or reproductive health without considering either women's position within the household and social structure, or the power and decision-making influence they may or may not have over such resources. Moreover, it ignores the impact of global inequities on women in the Third World, especially the importance of race and class in their lives (Moser, 1993; Gordon, 1996; Parpart, Connelly and Barriteau, 2000). As a reformist model WID fails to question the underlying social and cultural structures under which this proposed development is to take place. Rather than questioning the development process, WID identifies barriers such as traditional and social constraints of women's access to the market economy. Rahman (1999) found that the involvement of women with WID projects may increase women's income but this increased income does not imply changing women's position in the household in terms of power and authority because 'men often resist losing their old privileges while women often remain ignorant of their new rights' (Zuckerman, 2002:3). Rahman further suggested that women in such projects most often find themselves working harder but still having no control over production or participation in decision-making in their family or community.

The lack of clear demarcations between the economic and non-economic implies that although women work double shifts, only the work that can have a monetary reward attached to it is acknowledged. It is in such circumstances that poor women, who already work hard under dire conditions, but whose labour is not recognized or remunerated at the domestic level, are called upon to add to their heavy household workload; they are being burdened with the task of solving poverty issues as well (Chant, 2007a). This situation gave rise to the plausible assertion that 'Poverty has a woman's face' (UNDP, 1995). According to Zuckerman (2002:6), time use studies in Tanzania show that 'women have 2 hours leisure per day while men have 4.5 hours leisure time per day'. The rest of women's time is spent working and taking care of their households. When poor women are called upon to join micro-credit agencies, little is done to reduce their heavy workload. Income generating activities have a monetary label attached to them; as such they eclipse these women's unpaid domestic duties disregarded by the money-metric system of valuing activities.

This is the situation for the majority of women in Tanzania today. Although WID did a commendable job of placing women as important actors in the development question, women did not reap the fruits of their labour and just as Rahman (1999) above has shown, their increased income did little to change their position in household power relations. This is mainly because WID tends to prioritise external interests that have been responsible for widening the gender disparities and causing adverse outcomes in women's lives (Chant and Gutmann, 2000). Rutashobya (1995) is a good analysis of such a predicament. In her study of female entrepreneurs she argues that although there are significant numbers of women running businesses in Tanzania, the overall outlook is not good. While it can be accepted that women's economic contribution to the household may provide potential for change, she saw little evidence that this potential was being realised.

2.1.2 **WOMEN AND DEVELOPMENT**

The Women and Development (WAD) theoretical approach originates from radical feminism. It argued for 'a development approach that recognises the danger of integrating women into a patriarchal world and sought instead to create 'women only' projects to protect women's interests from patriarchal domination' (Parpart, Connelly and Barriteau, 2000:60). It argued that the development being promoted by WID not only excludes women's perspectives but also the perspectives of other important groups within developing countries. This concern was captured in the slogan, 'give credit where credit is due' (ibid). WAD adopted the anti-poverty approach, which focused mainly on the productive role of women in society (Smillie, 1995).

Anti-poverty strategies, however, work on the assumption that 'the social relations between men and women are determined above all by poverty (rather than the cultural context of gender differences), and so direct efforts towards improving the material conditions of women, particularly female household heads' (Brydon and Chant, 1989:218). For WAD theorists, Third World women were more concerned about poverty, lack of food, housing, drinking water, and employment and other practical gender needs. It is this anti-poverty approach which helped WAD to focus on improving women's access to income through efforts such as small-scale, income-generating projects with a view to decreasing household vulnerability, and also a form of community development that was adopted by development thinkers and planners.

Although WAD challenged WID's too-ready assumption that male dominated state structures can be used to alter gender inequalities, its focus on smallness of scale offered limited transformative potential to women-only organizations (Parpart, Connelly and Barriteau, 2000; Young, 1993; Gordon, 1996). Moreover, WAD tended to see women as a homogeneous class, thus downplaying differences among them, particularly along racial and ethnic lines, and at times assuming that solutions to problems affecting the world's women can be found in the experiences and agendas of one particular group. This, unfortunately, seems to be the convenient aspect that many micro-credit institutions seem to have adopted. For instance, the strategies that worked for Asia are being transplanted wholesale to Africa, downplaying the socio-cultural differences existing between the two types of societies. In Asia, particularly Bangladesh, micro-credit was introduced with the initial aim of serving poor women. By the time the same scheme was introduced in Tanzania, it had become commercialised[1] and its primary aim is to make profit, thus compromising services provided to the poor (see Drake and Rhyne, 2002).

2.1.3 GENDER AND DEVELOPMENT

The Gender and Development (GAD) theory evolved as a critique of WID and WAD. As a corrective perspective, this approach emerged from the grass-roots organizational experiences and writings of a group called Development Alternatives with Women for a New Era (DAWN) as well as experiences of western socialist feminists (Gordon, 1996). Women in the developed countries also face a gendered labour market with women's jobs (and pay levels) at the lower end of the job hierarchy and are also absent from the corridors of power whether in politics, religion or finance (Young, 2002:323). Its basic theoretical premise is that gender identity is a dynamic social construct shaped by a multiplicity of interacting time- and place- contingent influences such as culture, mode of production, legal and political institutions, (Chant and Gutmann, 2000:9). It is further mediated by men's and women's insertion into other socially-generated categories such as class, age, and race (Moser, 1993:3). GAD's point of departure is the unequal power relations between men and women that prevent women from benefiting from greater access to resources. GAD emphasises gender (the socially acquired notions of masculinity and femininity) rather than women (the biological state of being female) and the fact that women's reproductive work is not given social value. Particular attention is paid to the social construction of gender roles and relations between men and women and how these reshape power relations in men's favour both at the household level and in the market economy. Cagatay (2001:6) observes 'women are more vulnerable to chronic poverty because of gender inequalities in the distribution of income, access to productive inputs, such as credit, command over property or control over earned income, as well as gender biases in labour markets'. GAD recognises that women's status in society is deeply affected by their material conditions of life, the nature of patriarchal power in their societies at the household, community, and national, regional and global levels. It also recognises that women's condition in society is defined and maintained by accepted norms and values that define women's and men's roles and duties in a particular society (Parpart, Connelly and Barriteau, 2000; Young, 1993).

This theory is useful in explaining the gender relations prevalent in Tanzanian society because it notes how economic and social change, whether planned or unplanned, often gives greater opportunities to one gender. It enhances understanding of women's lives and the gendered nature of economic, social and political processes that give greater opportunities to men over women (Young, 2002). GAD can appropriately be used to explain women's lower status within the household as well as the market because of its broader use of gender analysis. It can be used to explore the gendered nature of negotiation and exchange within the household, which is important in explaining some of the reasons why women have no control either over the money they get from micro-credit or the benefits they get from their income generating activities, as will be discussed in Chapter Six. By reflecting on the social construction of gender, this approach emphasises women's position as agents of development rather than simply as recipients of the development process. My study embraces this theory as one that highlights the plight of many poor women in Tanzania. Patriarchal relations negatively affect them, which blocks them from positions of power and control of resources by shifting the balance sharply in men's favour. This happens both within the household and the wider society in the development of the market economy. In addition, GAD highlights an aspect of unequal relations (violence against women), which in many areas including Tanzania inhibit women from taking up opportunities targeted at them, whether literacy classes, credit, or even expanding their businesses. The use of violence to hinder women's progress is an issue that came up in the study. They lack adequate education, resources and the confidence necessary to address and possibly challenge and alter the current situation in their favour.

Whereas WID would look at women's struggles from a restrictive perspective, GAD offers a wider lens through which to deconstruct gender related processes and issues. For instance WID attributes women's lack of resources to lack of equal opportunities. These then are addressed by offering women access to resources such as credit. GAD argues that women's lack of access to resources is due to the gendered relationship right from the household level to the wider market economy, which favours men over women. Consequently, simply giving money to women through micro-credit without addressing the gender relations would not be a holistic solution. WAD would argue that the solution to this predicament would be to form women-only projects. This too would be a restrictive solution, as women do not exist in isolation from men. Although even with the involvement of men, projects still fail. For these reasons, GAD is adopted as the most convincing basis for explaining and intervening in poor women's predicament in relation to poverty and money in Tanzania.

2.1.4 **FEMINISATION OF POVERTY**

The feminisation of poverty is a global phenomenon generally referring to the increased numbers of women in poverty, and to increased degrees of poverty among women (Chant and Gutmann, 2000:50). it is also associated with the worldwide rise in proportions of households headed by women. It originates from debates in the United States of America in the 1970s about the economic vulnerability of single mothers and welfare (Bridge, 2001; Scott, 1984). However, it gained more recognition in the 1990s following the 4th United Nations Conference on Women where it was asserted that 70% of the world's poor were female and that eradicating the 'persistent and increasing burden of poverty on women was adopted as one of the 12 critical areas of the Beijing Platform for Action' (Chant, 2006:202). More recently however, 'the feminisation of poverty has mainly been linked to the increase in the proportion of female-headed households as well as the rise of female participation in low-return, urban, informal sector activities, particularly in the context of the 1980s economic crises and adjustments in sub-Saharan Africa and Latin America' (Bridge, 2001:1).

The feminisation of poverty has three distinct tenets which are: first, that women represent a higher incidence of the world's poor; second, that their poverty is more severe than that of men; and third, that women's growing share of poverty is related to rising rates of female-headed households (Bridge, 2001; Chant, 2006). When applied to Tanzania, the feminisation of poverty only partially explains poor women's experience of poverty. The effects of colonialism, which excluded them from resources such as land,[2] and their unpaid productive and reproductive services, are more relevant (Biermann and Moshi, 1997). Nonetheless, this construct can be useful in explaining the rise of female poverty following the effects of Structural Adjustment Programmes in Tanzania in the mid 1980s to early 1990s. Focusing on women's informal sector activities showcases the hardships that poor women face and the steps taken to address the situation outside formal government jurisdiction. In the developed countries women were mainly getting poorer due to increased divorce rates, unemployment, and low levels of pay for those in employment, low education, lack of decision-making power and access to resources. Feminisation of poverty is more in line with state-led welfare development, while the present official strategy has shifted to market-led development initiatives where the state plays a minimal role. Women are no longer seen as passive recipients of development as the feminisation of poverty thesis suggests, but are taking a more active role in initiating the development process.

Feminisation of poverty presents women either as a homogeneous group or simply distinguishes them on household headship terms (Bridge, 2001;

Chant, 2006). Poor women in Tanzania are more heterogeneous, differing in terms of region, religion, education status and ethnic divide. Besides, not all female-headed households are necessarily among the poorest in Tanzania. Focusing on women in isolation from their social relationships does little to tackle the power imbalances embedded in social relations that lead to women's greater vulnerability to poverty. Besides, focusing on women deflects attention form men and gender relations while it is the latter that should come under greater scrutiny (Chant, 2006:206) if the poverty situation of women is to be fully understood. The feminisation of poverty mainly focuses on monetary poverty. While monetary poverty may be easiest to quantify, it is not always amenable to accurate data collection. This is particularly pertinent to women whose earnings may be subject to fluctuation, or who possess little or no knowledge of their spouses' incomes (Chant, 2006:24). This is the case for many Tanzanian women as will be discussed in Chapters Five and Six.

2.1.5 FEMINISATION OF DEBT

The feminisation of debt emerged following a report of a conference held in London in March 2002 under the One World Action movement. This report voiced serious concern about the ongoing involvement with micro-credit in Africa. According to Mayoux (2002:6), many micro-credit programmes in Africa targeting women operate with three broad objectives. These are: 'first, financial sustainability and cost effectiveness (repayment rates for women are higher than those of men); second, poverty targeting and household poverty reduction, because of women's greater poverty levels and women's responsibility for family subsistence; and third, women's empowerment through increasing women's control over incomes and assets, and group formation for support and collective action'. Through the Feminisation of Debt discussions, Mayoux (2002) suggests that although micro-credit may be necessary for poor women, it should not be seen as a solution to all their development problems. The feminisation of debt report questions assumptions of any automatic beneficial impact of micro-finance on either poverty reduction or women's empowerment. It argues that women's exclusion from independent access to credit and other services, such as technology assistance and training, reinforce and increase gender inequality within households.

This section has reviewed the theories that can be used to explain the poverty of women in Tanzania. It has discussed theories of gender and development including WID, WAD and GAD. While each of these theories in some way can be used to explain women's poverty, the GAD approach is the one this study has taken as a basis for explaining the poverty situation in Tanzania. GAD was selected for its broader analysis of gender relations, which is relevant in explaining not only women's poverty, but also the micro-credit institution as a solution. GAD allows the analysis of poverty to be seen from the household level with its inherent patriarchal relations, which tip resources in favour of men. It also allows the analysis to review micro-credit institutions in terms of how they perceive the money they extend to their clients as well as the market (informal market) where the majority of poor women operate. Reviewing the situation from a more rounded perspective will help to produce a much clearer picture of women's poverty and the role that micro-credit and money plays in their lives.

2.2 MICRO-CREDIT AND EMPOWERMENT.

Turning from theories that explain women's poverty, this section looks at micro-credit as an institution that is at the forefront of improving women's poverty status. The Micro-credit Summit[3] defines micro-credit as programmes that extend small loans to the very poor for self-employment projects that generate income, allowing them to care for themselves and their families (Micro-credit Summit, 1997). Its common characteristics include: size of loan, which is mostly very small or micro; target users, who are micro-entrepreneurs and low-income households; utilization, funds used for income generation, enterprise development and community use. In this thesis micro-credit will refer to the extension of small loans and savings to women entrepreneurs and low-income households too poor to qualify for traditional bank loans.

2.2.1 THE LITERATURE ON MICRO-CREDIT

Most literature on micro-credit argues that credit provision in itself contributes to a process of individual economic empowerment by enabling women to decide about savings and credit use. It is assumed that women will invest in their own economic micro-enterprise, thus increasing income, which they themselves will be able to control. Women's economic empowerment is then assumed to lead to an increased well-being for themselves and their families. This economic empowerment is further seen as enabling women to renegotiate changes in gender relations leading to social and political empowerment. All these assumptions, however, are 'too simplistic, largely ignoring the complex social, cultural and power relations under which poor women live' (Sebstad and Neill, 1995:7). This led Mayoux (2003) to argue that micro-credit cannot be a panacea for all development problems despite the claims of some of its advocates. This study will test this critique in Tanzania, where studies with this focus are scant.

Other studies conducted on micro-credit agencies, such as the Grameen Bank in Bangladesh, show that this model of focusing on credit as the solution to poverty is too simplistic because of a range of factors other than investment that produce poverty and its qualitative dimensions (Rahman, 1999; Mayoux, 2003). Further, Rahman (1999:151) asserts that 'loans alone, without viable opportunities for women to transform the power relations and create their own spaces in the prevailing power structure, make equitable development and empowerment of women unattainable in society.' Bridge (2001) observes that there are concerns about gender issues becoming a subset of poverty concerns in micro-credit programmes since attention is being focused solely on poor women rather than on the gender inequality which still limits women from benefiting from these programmes. Hence, 'collapsing gender concerns into a poverty agenda narrows the scope for a gender analysis which can fully address how and why gender inequalities are reproduced, not just among the poor, but in society as a whole' (Bridge, 2001:5). These arguments are important for my thesis as they show the importance of understanding the structure of power relations within the household if poverty reduction and empowerment programmes are to succeed.

This study argues that assessing unique socio-cultural, economic and political environments are crucial matters for the sustainability of micro-credit in Tanzania. Studies such as Mayoux, 2002; Duddy, 2002; Blackden and Bhanu, 1999) suggest that micro-credit lending in Africa has not been as successful as elsewhere. In affirming the notion that micro-credit has not been as effective in Africa as in Asia, Duddy (2002:5) observes, 'overwhelming evidence indicates that for many (and possibly most poor women in context) the impact of micro-finance per se on both economic and social empowerment is marginal', in contrast to reports of studies conducted elsewhere. Africa's unique socio-cultural conditions need to be assessed and taken on board if micro-credit is to make a positive impact in poor women's lives particularly since the commercialization of micro-credit in Africa is more concerned with making profit than with getting to the root of women's poverty issues.

Chambers (1986) and Korten (1990) reveal that development initiatives in poor countries have failed to provide expected benefits to poor people at the micro level. According to these authors many development programmes include local participation at the implementation stage rather than at the planning stage. This alienates the local people who do not identify with the development initiatives being proposed[4] or in some cases, the initiatives address the periphery rather than the core of the problem.

Although there are concerns as to the effectiveness of micro-credit as a poverty reduction strategy in Africa, (see Duddy, 2002 and Mayoux, 2003), micro-credit is still currently promoted by African countries, including Tanzania, as the alternative poverty reduction strategy. This is done notwithstanding the underlying pertinent issues of gender relations and patriarchy at the household level. It has thus been argued in this section that the strategy of giving money alone to poor women is flawed, since they do not recognise money as their main poverty concern, as will be discussed in Chapter Four. In addition, money alone does not help to address their concerns with gender-related distribution of resources, power relations or decision making at the household level. Moreover, as we have seen the informal market economy, where most of these poor women operate is biased against them.

2.2.2 **THE LITERATURE ON EMPOWERMENT**

Turning from micro-credit, let us now look at the issue of empowerment.[5] Empowerment is the most frequently used term in development dialogue. It is also the most widely interpreted and vague concept. It has simultaneously become a tool for analysis – Gender Empowerment Measure, (GEM) (Chant, 2006) – and also an umbrella concept to justify development interventions (Burra, Ranadive and Murthy, 2005). According to the United Nations Development Fund for Women (UNIFEM, 2000), 'gaining the ability to generate choices and exercise bargaining power', 'developing a sense of self-worth, a belief in one's ability to secure desired changes, and the right to control one's life' are important elements of women's empowerment (Daley-

Harris, 2002: 175). Generally, the gaining of power by the vulnerable is often called empowerment. Yet Snyder (1995) views empowerment as a political concept that involves collective struggle to throw off the yoke of unjust and oppressive social relations and to achieve 'power over' these relations. Similarly, Mayoux (2003:10) sees 'empowerment as a multidimensional process involving challenging existing power relationships and inequalities at different interlinked levels'. Although there have been theoretical developments of women's empowerment since the micro-credit summit campaign of 1997, in practice the reality has not been as promising. This has led Mayoux, 2006 to argue that female empowerment exists in 'uneasy tension and with continually contested degrees of dominance' (Mayoux, 2006:7).

Through the 'feminist empowerment paradigm', Mayoux, (2006) shows the different prioritisation given by the three mainly used paradigms of women's empowerment as shown in table 2.1 below. She is of the view that despite the rhetoric of empowerment, gender policy runs the risk of wasting women's time and resources.

Table 2.1 Mayoux's classification of paradigms guiding micro-finance programmes

	Feminist empowerment paradigm	Power alleviation paradigm	Financial self-sustainability paradigm
Main policy focus	Micro-finance as an entry point for women's economic, social and political empowerment	Micro-finance as part of an integrated programme for poverty reduction for the poorest household	Financially self-sustainability micro-finance programmes which increase access to micro-finance services for large numbers of poor people
Target group	Poor women, alternative role models	The poorest	The entrepre-neurial poor
Reasons for targeting women	Gender equality and human rights	-Higher level of female Poverty -Women's responsibility for household well-being	-Efficiency because of high female repayment rates -Contribution of women's economic activity to economic growth
Underlying paradigm	Structuralist and socialist feminist critique of capitalism	Interventionsit poverty alleviation and community development	Neoliberal market growth
Main policy instruments	Gender awareness and feminist organisation	-The importance of small savings and loan provision -Group formation for community development -Methodologies for poverty targeting and/ or operating in remote areas	-Setting interest rates to cover costs -Separation of micro-finance from other interventions for separate accounting -Programme expansion to increase outreach and economies of scale -Ways of using groupes to decrease costs of delivery
Main focus of gender policy	Gender awareness and feminist organisation	Increase women's participation in self-help groups	Providing the frame work for equal access for women
Definition of empowerment	Transformation of power relations throughout society	Increase well- being, community development and self-sufficiency	Economic empowerment. Expansion of individual choice and capacities for self-reliance

Source: Mayoux (2006:6)

Empowerment is a psychological concept that refers to the consciousness and perceptions of individuals, or the 'power to' express and act on one's desires (DFID [UK], 2000). It has also been understood as 'a set of metaphors that have normative value and symbolic power for the would-be *empowerers*, rather than as a factual description or theoretical explanation of changes in the lives of the *empowered*'(Friedrich and Jellema, 2003:17).[6] I would argue that this definition connotes an underlying current of unequal relationship between those who are to be 'empowered' and their 'empowerers'. It resembles a delicate patron-client relationship, with the client waiting to become empowered. Although the word empowerment does not translate literally in many languages, the 'Swahili' equivalent for empowerment ['kuwezeshwa'] connotes a rather similar meaning. However, this is not a word commonly found in everyday speech other than in the vocabulary that is mostly associated with NGOs or women's liberation activists and politicians. The word 'kuwezeshwa' stems from the verb ('kuweza') which translates as ability to. Hence 'kuwezeshwa' is used to mean these women are given the ability to conduct businesses through access to financial resources, skills training, or even apprenticeships.

Consequently, this study will refer to empowerment cautiously, and mainly as a way of understanding gender relations in terms of the interaction between power and money and the way in which these relations may change. Empowerment cannot be 'given' to anyone, as it is a process that takes place where an inequality moves towards becoming equality (Burra, Ranadive and Murthy, 2005). As we have seen, micro-credit interventions that provide access to finance without addressing the socio-cultural environment of the household and an expansion of the economic space for the women will not empower them. It is for this reason that I argue that empowerment would be a tricky goal to achieve through merely handing money to poor women as credit, since money by itself does not bind women together sufficiently, nor does it automatically translate to power over unequal resource distribution within the household, nor offer these women the choice to act and express their desires. This process should be achieved through the full participation of the poor in the formulation, implementation and evaluation of decisions crucial to the performance and well-being of the society at large. This characterization encompasses a more holistic approach and embraces some of the thesis's general concerns for poor women's welfare particularly where poverty is understood as an immense restriction of choices and options.

Micro-credit schemes mainly address practical gender needs and not strategic ones. By putting capital into women's hands, micro-credit schemes are addressing their practical gender interests by responding to their immediate need for income. Access to financial resources is not seen as a challenge to the prevailing forms of gender subordination, even though they arise directly out of them (Molyneux, 2001). It is argued here that micro-credit schemes do not address their clients strategic gender interests since in practise, they do not address important issues among their clients such as the abolition of the sexual division of labour, the alleviation of the burden of domestic labour and childcare, or the adoption of adequate measures against male violence and control over women (Molyneux, 2001:43). These issues are crucial for the emancipation and empowerment of these women. Merely allowing their clients to earn an income does not automatically entail these women's empowerment. Even though 'poor women are readily mobilised by economic necessity' (Molyneux, 2001:44) to join micro-credit schemes, assuming that doing so is empowering them is a simplistic and over-ambitious goal that runs the risk of not being realised in Tanzania. Empowerment is not dependent on access to micro-credit, but on the control of both the credit and the use to which it is put. The ability of women to transform their lives through access to financial services depends on many factors, some of which are linked to their individual situations and skills, whereas others depend on their socio-cultural environment. These otherwise worthy goals can sometimes be profoundly influenced by social values and so may occasionally replicate rather than challenge the structures of injustice, while gender inequalities against women contribute directly to the perpetuation of poverty in society.

In spite of gender inequalities and discrimination against them, some poor women in Tanzania see empowerment as a process culminating in self-confidence. This is evident in Tripp (1997a), which shows that women in Tanzania do not aspire to be equal to or even superior to the male members of their society. What they desire is to be treated with respect and to be given the opportunity to conduct their income generating activities without interference and to be allowed to benefit from such endeavours. This is also echoed in Sweetman (2001) - the women in her study consider it inappropriate for a woman to be equal to a man because traditions and customs do not allow this. Since most of these women have no other point of reference, or only very limited role models to emulate, no wonder they consider equity with men 'foreign' and almost a taboo. Socialization plays an important role here. Some women may not welcome equal power to men for the sake of maintaining tranquillity within the wider community. An example of this is Mwaipopo (1995) who studied the seaweed-farming women of Paje village, in Zanzibar. These women felt empowered due to the income obtained from selling seaweed, and influenced decisions at the household level while keeping in the background so as to maintain peace and tranquillity within their households.

Studies from Tanzania on women's activities as entrepreneurs in the informal sector (Rutashobya, 1995; 1998; Lugalla, 1995; Swantz and Tripp, 1996) show that there are signs that many more women are answering the call to get involved in income generating activities to earn extra income to support their households. Reasons for their involvement vary, ranging from economic to political, following the effects of Structural Adjustment Programmes. They have to contribute towards social amenities such as health and education for their households, or where they or their partners have been made redundant. They are also involved because of the availability of credit for setting up small businesses. For some it was because of the need to support the households that they head in the absence of their partners due to HIV/AIDS. Some need to support their families in the face of growing poverty, and to build the social networks that evolve from such activities. In the process, they have encountered various constraints including social prejudices, lack of education, and lack of capital and credit facilities, managerial skills, legal rights and time. The absence of all these handicaps women in business, as does their prevailing socialisation.

Women's access to economic resources through participation in the informal sector, however significant this may be on its own, is insufficient to bring a major improvement in the position of women. Neither is it a way out of poverty. This is because this practice does not directly affect structures within the household or attempt to change hierarchies within it. Not only have these women been disadvantaged in access to material resources such as credit, property and money, but they have also been excluded from social resources like education or insider knowledge of some businesses. Moreover, having been excluded from decision-making for most of their lives, defining goals and setting themselves up to achieve them effectively may be a challenge to most poor women. Women in Tanzania are still dominated in the household by constraints of patriarchal marriage contracts and power inequality, while issues of caring for other members of their households rest solely on them, especially in the wake of HIV/AIDS, and caring for the orphans that are left behind (Kevane, 2004).

This section looked at some of the literature on micro-credit and empowerment. It observed that some of the literature on micro-credit presents it as an answer to women's poverty problems. For it is assumed that once women are given access to credit, and hence a productive resource, they will invest it in their economic micro-enterprise, and gain income which they will use to alter their positions at the household level. It has been argued here that this simplistic model does not reflect women's reality. It overlooks the gender relations and the complex environment in which poor women live. As such, giving only money to women will not achieve the intended double goal of reducing their poverty and empowering them. This section further noted that empowerment is a rhetoric mainly used by NGOs, credit officers and activists to appeal to poor women's consciousness; the women themselves do not readily identify with empowerment in their everyday lives. It was also noted that money from micro-credit schemes cannot empower poor women since empowerment involves a process that should include gender and power relations for these women and not money alone. Let us now turn to the next important concept for the study in understanding and explaining women's poverty status in relation to micro-credit. Let us look at some of the literature on money.

2.3 **MONEY.**

Many development programmes that promote women's credit and involvement in earning income hope that increasing women's access to micro-credit services will lead to these women's economic empowerment through enabling them to make decisions about savings and credit use, enabling them to set up micro-enterprises and increasing the incomes under their control. It is then believed that this increased economic empowerment will lead to increased well-being of these women and their families as well as their social and political empowerment. Money is therefore seen as the single most important ingredient that will bring about all these multiplying life-changing effects. This is why it is necessary to talk about money in this study, as it is the one single component that is believed to have the power to reduce poverty and empower women.

2.3.1 **WHAT IS MONEY?**

The word money[7] comes from 'the Roman mint at the temple of Juno Moneta. The word Moneta is the Latin equivalent of muses, custodians of the principal arts and sciences' (Hart, 2001; 15). Often money is defined in terms of its economic functions, thus 'a medium of exchange, means of payment, store of abstract value, standard of value and unit of account' (Raddon, 2003:35). Money has been referred to as 'a universal measure of value, purchasing power, a measure of wealth and status, and a store of memory that links individuals to their various communities and thus a source of identity' (ibid). Other features of money are: it is portable, divisible, generally accepted and likely to hold its value in the future - in contrast to barter[8] - barter being the exchange of commodities without the recourse to the medium of money.

Although reference is made to money in general, it should be noted that money is not a homogeneous entity, it comes in various forms and has a number of purposes and meanings. Raddon, (2003) suggests that the earliest purpose for which money originated is most likely for payment to discharge specific religious and political obligations and not for payment in exchange. 'Non market payments included temple offerings, blood money, bride wealth, fines, taxes and rents', (Raddon, 2003:36). The money form has changed from its historic coinage form (specie - coins containing precious metals equivalent to their nominal value), to paper, and from base metal to plastic in the form of credit and debit cards on to electronic payment systems through telephones, television and computers (Hart, 2001). Through tracing the development of money, one thing remains clear – it is heavily cast as an economic categorisation, thereby discounting other (social and cultural) aspects of money that are important in social relations, and which play an important role in monetary practices within society.

2.3.2 **MICRO-CREDIT AGENCIES AND MONEY**

Many development and poverty reduction initiatives are a product of economic theories originating from the west. Consequently, they heavily borrow their major objectives from the western economic perspective. As a result, micro-credit initiatives operating on a global scale largely define money along the economic lines of the west, not only disregarding the social and cultural attributes of money that non-western societies may have, but also 'falling into the trap of attributing to money in general what is in fact a specific set of meanings which derive from our [western] own culture' (Parry and Bloch, 1989:1). Micro-credit schemes regulate credit, savings and investment, and are based on the ideology that monetary rules are natural, necessary and immutable - a monetary system based on the legal authority of commercial banks. Credit money is thought of both as representing the abstract value of other commodities and as a store of abstract value, in other words, in economic terms money remains essentially a commodity (Raddon, 2003).

The economic tendency to feature money as a measure of value centres attention almost exclusively on its quantifiable aspects thereby downplaying and ignoring those aspects of value that cannot be reduced to numbers. It has been argued that 'money's role is broader than providing a technical solution to the problems of exchange, allocation, equivalency, and so on because the entire organisation of the economy, including money, is embedded in the larger cultural system' (Raddon, 2003:36). This study adopts a similar perspective on money, for it is argued that lending money to poor women without taking into account their social and cultural circumstances will result neither in their empowerment nor reduce their poverty. Money matters as a powerful, visible symbol that has different meanings and practices in different social relations. Zelizer (1994:211) argues that 'people not only think or feel differently about their various monies, but they spend them, save them, or give them for different purposes and to different people'. This suggests that giving money to women, without taking into account their social and cultural circumstances, and assuming that they will invest these monies for purposes of economic investment for profit making, is misguided and a restricted way of analysing both poverty reduction and gender concerns in society.

The majority of micro-credit agencies operating in Tanzania offer poor women money in the form of credit in the hope that the majority of these women will have the freedom to choose to break away from poor living conditions and probably unhappy relationships. Mostly they foresee women using this money to develop income generating activities that will empower them by generating more money and hence reduce their poverty. It is often assumed that these micro-credit schemes and the women recipients of the loans are working towards a common goal, that of empowerment and poverty reduction. Although there is evidence to suggest that micro-credit programmes do indeed make a potentially significant contribution to women's empowerment, 'this is not an automatic consequence of women's access to savings and credit per se' (Mayoux, 2003:4). Moreover, evidence that lending money to women leads directly to their 'empowerment' is scanty at best (See Sweetman, 2001; Mayoux, 2003; Chant, 2006). It is not the case that women who borrow credit are automatically able to remain in control of any profits from their work, or to decide how the money is spent (See Rahman, 1999; Kabeer, 1998; Mayoux, 2002).

It is from this perspective that money becomes a significant component of this study. The form of reasoning underlying these assumptions restricts understanding how money is used and perceived. The study aims to critically review how the money acquired by poor women from credit schemes is used, who has control and the final decision as far as money is concerned and who benefits. In most developing country contexts, women have less information about financial products and services than do men (Sweetman, 2001; Omari, 1991; Rahman, 1999). As has been argued, due to their subordinate position in Tanzanian society, women are not major decision makers; neither do they have control of resources. In some cases they are even considered to be less intelligent than men, are required to speak only when spoken to, and not to give opinions or suggestions, let alone handle money. This thesis seeks to understand how culture influences how money is perceived and the meanings that are accorded to monetary transactions and how these affect women recipients of credit.

In her study evaluating the development of female entrepreneurship in Tanzania, Rutashobya (1998) found that giving credit to poor women does not automatically lead to poverty reduction and empowerment, since credit and capital are as much symptoms of the problem as they are a cause. She argues that as long as women continue to receive meagre credit and are mainly involved in income generating activities that revolve around their domestic lives, credit cannot help these women to eliminate poverty let alone gender inequality. This is mainly due to the gender-insensitive policies and practices that govern credit delivery. Rutashobya's study underscores some factors that this study is highlighting that providing poor women with small sums of money to be invested in the gendered framework that is biased against them will not change their poverty status. This is mainly because those who are in positions of power, and can change or influence changes to benefit women, tend not to help women prosper.

It can be argued that since micro-credit is not aiming to transform these gender relations within society, it works to maintain the system; it only hands women a piecemeal solution to their problems by maintaining the unequal relations of power and resources. Even though more women are becoming involved in entrepreneurship, there are very few signs that they are becoming better equipped organisationally to engage in collective struggles (thus moving beyond battles for respect and autonomy or mutual respect) or that they are receiving help in coping with diverse and increasingly burdensome responsibilities. This state of affairs reaffirms the need to review the meaning of money for the poor women in Tanzania, as they are largely responsible for the day-to-day running and maintenance of the family.

My thesis argues that, armed with such knowledge, micro-credit institutions or any other development initiatives that lend money to the poor as a mechanism for arresting poverty will be able to better design their systems, making them achieve the desired intention of financing genuine credit needs for the poor. Besides, it appears that women take up loans for entirely different purposes than those originally intended by credit lending institutions, further illustrating the need to look at broader social context of money. For example, it is possible for a poor woman to access credit for non-economic purposes, such as illness, marriage, and children's education and cultural rites. It may be that these are the reasons pushing women to look for credit, as my research will demonstrate. Many poor women access credit and use it for reasons other than income generation. Discussions of the meanings that poor women attach to money, and the ways in which they utilise this money, will be dealt with in Chapter Six. Understanding the push and pull factors for needing money among the poor will increase the awareness of other non-economic issues which are of importance for poverty reduction, but which have largely been bypassed.

My thesis argues that a clearer understanding of the meaning of money and why the poor need money will discourage micro-financing organisations, policy makers and developmental activists from looking at credit as the panacea. It is often the view of micro-lending institutions that once women have access to credit, this will automatically lead to changes in their status in the household whereby they will be in a better position to negotiate with their partners on matters pertaining to the well-being of the family and household development. Having control of money will lead to changes in household consumption, nutrition and even education of members of the household. Evidence of studies from Tanzania shows that women are affected by socio-cultural phenomena which are sometimes beyond their control, for instance the customs and traditions within patriarchy which undermine women's ability to think, act independently and access resources (see Kaijage and Tibaijuka, 1996; Omari, 1991; Lugalla, 1995). Women have to comply with the acceptable set codes of behaviour even though they may not agree with the practice. This will be discussed in Chapters six and seven where it has been shown that women's roles as mother, wife or sister could determine how much and what business they can or cannot involve themselves in. Men in the form of husbands, brothers, fathers or sons heavily influence the choices some of these women make regarding access to and even use of credit facilities in Tanzania. Ellis et al (2007) suggest that cultural factors not only strongly influence Tanzanian women's ability to realize their potential in business, but they also govern prevailing attitudes and beliefs to social and economic life.

2.3.3 **CLASSICAL SOCIOLOGY'S PERCEPTIONS OF MONEY**

Classical thinkers such as Weber viewed money to be the 'most abstract' and 'impersonal' element that exists in human life' (see Swedberg, 1993:196). Simmel (1978) saw money as a principal catalyst for the transformation of social life. He envisaged money as a mechanism that paves the way from *Gemeinshaftlich* (traditional) to *Gesellschaftlich* (modern) society. However, although he saw it as a condition for the extension of individual personality and the expansion of the circle of trust, he also saw it as a threat to the moral order, as the modern spirit of calculation and abstraction prevailed over an older world that accorded importance to feelings and imagination. To him money was a necessary evil.[9] For Simmel, what distinguishes money in this shifting world of relativities, is the common measure of value uniting all the independent acts of exchange. 'It thus stabilizes the volatile world of commodity exchange in much the same way that Durkheim, following Plato, Kant and other idealist philosophers, thought the central ideas of society (God, the family and similar sacred notions) lend stability to the fluctuations of everyday life' (Simmel, 1978). Simmel's view that the meaning that people attribute to money depends on the experiences they have had of money is an approach that this study will explore in more detail from poor women's experiences with money in Tanzania.

Marx saw money as a fundamental phenomenon of production for exchange, which ultimately creates the need for the abstract medium of money. Both Marx and Simmel conceptualised money as having revolutionised more than simply economic exchange. They identified a parallel between the abstraction of money prices in commodity exchange and the abstraction of thought (scientific analysis) that represents the highest level of the cognitive interaction with the world. For them, money fundamentally transformed the basis of all relations by corrupting personal bonds into calculated, instrumental ties. Marx was also of the view that, as well as its function as a 'depersonalizer', money also had a liberating function because it allowed individuals to sever their ties with traditional arrangements. For both theorists therefore, money is associated with and promotes the growth of individualism and the destruction of solidary communities also (see Parry and Bloch, 1989). They saw money as destroying the moral bond that unites one man with another, a bond that Durkheim identified as the basis of all solidarity. Simmel, however, also believed that money actually promotes a wider and more diffuse sort of social interaction, for example, in the case of barter, trust is shared between two parties only, but monetary exchange opens this up to a wider social solidarity.

2.3.4 RECENT SOCIOLOGICAL CONCEPTIONS OF MONEY

In Tanzania, there still exist close ties between the rural and urban areas. However, money seems to compensate for the close, face-to-face personal relationship that was shared between people living in both rural and urban areas. Nowadays, instead of relatives in the urban areas visiting their families regularly, money is sent, usually from the urban to the rural areas, substantiating the absence of face-to-face relationships. In exchange, food and other agricultural products are sent from the rural to the urban areas. As for becoming modern, the majority of urban Tanzanians have not been able to break free of their traditions (see Creighton and Omari, 1995). Most seem to have brought their traditions along with them to the urban setting. This is observable during occasions such as weddings, funerals or other traditional ceremonies and rites, which now involve spending huge amounts of money.

These occasions demonstrate very clearly the influence of traditional values and attributes in how money is spent.

Swedberg (1993:196) argues that contemporary sociology still clings to the view of money as an absolutely 'fungible, qualitatively neutral, infinitely divisible, entirely homogeneous medium of market exchange'. He notes that Vivian Zelizer opposes the view that once money invades the realm of personal relations it will inevitably bend those relations in the direction of instrumental rationality. Instead she proposes an alternative model of money (see Zelizer, 1993), one in which it is continually shaped and reshaped by different networks of social relations and varying systems of meanings. She views money as being neither culturally nor socially anonymous and although she accepts that it may 'corrupt' values and social ties into numbers, she believes that values and social relations reciprocally transform money by investing it with meaning and social patterns. Since people earmark different monies for different types of social interactions, there is no single generalized uniform money, instead, there are multiple monies for different social contexts. Zelizer (1993:38) demonstrates how market money is given new meanings as it is transferred into non-market settings such as the household. She succeeds in showing that 'not all modern money is market money, not all transfers are payment in exchange, and not all relationships are about individual gain'.

Zelizer's understanding of money is crucial for analysing the way that money is perceived by different categories of poor women over time. This dynamic conception of money will help to clarify the various meanings that are attributed to money, and emphasise the fact that the poor do not always need money for the same reasons. For Zelizer, the predisposition for earmarking modern money 'provides the most powerful evidence against a homogenized, instrumental model of social life' and demonstrates that 'the vision of society fully transformed into a commodity market is no more than a mirage' (Zelizer, 1994:215). In other words, Zelizer contrasts modern money with Simmel's negative 'vision of society fully transformed into a commodity market' and finds that such fears have not been realised, or at least the picture is more complicated and uneven. The simplistic view that poor women lack economic resources and so need money to invest stems from orthodox economic theory, whereas what is called for is reviewing and learning from the experiences of poor women over time.

Zelizer's understanding of money and her acknowledgement of the cultural and social attributes accorded to money as a system of symbols similar to language, writing, or weights and measures, reinforces its significance for this research, especially as this study tries to understand the meanings that poor women attribute to money and the uses they make of it. Earmarking implies rational decision-making oriented towards drawing up priorities for money in order of importance. It can also be used to identify the kinds of needs that the poor have by the categories they use to prioritise the use of their money.

Earmarking, however, implies an underlying quantity of the money in question. To be able to earmark different kinds of monies for different purposes presupposes having a reasonable amount from which one is able to assign different sums for different purposes. It can be argued that for the majority of poor Tanzanian women, the tendency has been more towards using money in response to immediate pressure. That is, although the money is meant for one purpose, it will end up doing something different from the intended use because of excessive shortages and multiple demands on the same money. Grave shortages of money can sometimes lead to a dilemma for poor women when faced with a situation where there is more than one issue of importance that requires the meagre monetary resource at their disposal. For instance, with the rise of the HIV/AIDS pandemic in Tanzania, it has often been reported in the media that women, who are primarily the carers of the sick, are faced with a dilemma between buying medication to treat HIV/AIDS-related complications or buying food to ensure that their sick relatives eat a balanced diet, since both are equally important for the well being of the sick. In such circumstances, earmarking becomes extremely difficult.

Moreover, with poor women experiencing a lack of division between the private and public domains of their lives, since in practice the two are intertwined, earmarking monies for economic and non-economic uses, as demanded by micro-credit agencies, may be a challenge. Poor women use a different system of categorization to earmark money, which generates difficulty in identifying where economic and non-economic investment begins and ends. Hence, giving money to poor women specifically for economic investment becomes a problem. Unless both micro-credit agencies and poor women are clear about what constitutes economic investment and what does not, the money meant strictly for economic investment may easily be utilised in ways that micro-credit agencies do not approve of. Yet, these may be the ways of using it which poor women deem important and necessary for the improvement of their lives. If this is the case, analysing how money functions within the household and in women's income generating activities will shed light on the significant uses of money for poor women within this vague categorisation where it remains to be argued whether these amount to economic or non-economic uses. This study hopes to understand the complex way in which the socio-cultural relations influence both the meaning and the utilisation of money at the household level. According to Raddon (2003), the evidence of economic anthropology affirms that there is nothing necessary about having all of money's functions rolled up in a single form. She further argues that from this perspective, 'it is conceivable to re/create complementary systems of local money for purposes that extend beyond the "economic" in its "insufficient means" (Raddon, 2003:36). Taking up money's social embeddedness, Zelizer (1994) examines the special purposes to which modern 'general purpose' money is currently devoted. She is of the opinion that in modern times although people use a single currency, it continues to be distinguished between 'monies' according to their range of uses - for gifts, payment in exchange and non-market payments, state transfers, tips, tithes, bribes and so on. Furthermore, using the example of wives' allowances, she explores how 'even with an undifferentiated money form, people in effect persist in creating special pseudo-currencies' (Zelizer, 1994: 37). The purpose of this constant, dynamic and persistent demarcation of modern monies is to mark the status of social relations, indicating relations of intimacy, dependence, entitlement, formal equality, hierarchy or rank.

Hart (2001) makes the case for alternative forms of money. He argues for the need to find ways of organising markets as equal exchange by detaching the forms of money from the capitalist institutions that currently define them. He further contends that this can be done through 'repersonalization of the economy by making money ourselves as a means of accounting for exchanges whose outcome we wish to calculate' - since technological advancement has rendered information cheap (Hart, 2001:4). He believes that as a result of technological advancement, 'the line between the exchange of objects by means of money (markets) and the exchange of meanings through words and signs (language) is becoming blurred. Money is becoming information and information money, which provides an opportunity to reassess the relationship of money to culture and civilization.' In essence he advocates making money for our personal and shared purposes, a process that will enable money to take as many forms as desired by those who wish to keep track of those exchanges with others that they choose to calculate and remember.

Hart's views differ fundamentally from the views of micro-credit institutions and development theories and practices. He offers an alternative to the predominant understanding of money in which money is an independent object with an exclusive function of mediating exchange in the market. Money is equipped with the means to transform people's lives and not the other way round. Instead, Hart proposes that money be seen as an object whose meaning is subject to change/s depending on what the people involved with it make of it: the meaning of money should come from the people and not from capitalist institutions as is presently the case. This offers an interesting argument for this study, which argues that people already attribute various meanings to the money that they engage with, and that it is time for micro-credit institutions and development theories to realise this aspect of peoples' engagement with money. This would enable them to widen their understanding of money and possibly incorporate these differing meanings into their development agendas, thus giving initiatives for reducing poverty and initiating progress a chance to make a real difference.

Raddon (2003) shares similar views about communities making their own money. She uses the examples of LETS (Local Exchange and Trading Systems) and HOURS (which involves a tangible representative of money such as notes and coupons as a medium of exchange) 'community currencies'[10] to portray how they can work in society and the specific implications they hold for gender relations. She asserts that community currencies make it easier for people to exchange interest-free goods and services and minimise their dependence on the official currencies which may not take into consideration local values and circumstances. She posits that gender is an 'organizing principle of social life, and that all major institutions - economy, politics, law, state, education, religion, family - are gendered' (Raddon, 2003: 25). She further observes that the monetary system is gendered in the sense that it is associated with the shared cultural understandings of the masculine categories which are deemed superior in relation to the opposite category of femaleness, which is devalued and considered inferior. Challenging the monetary system would disrupt its gendered underpinnings resulting in resistance on gender patterns.

The idea of alternative forms of money, whether as 'community currencies' as in Raddon's study or 'own money' as advocated by Hart (2001), or indeed other alternative kinds, is one that this study will explore among poor women in Dar es Salaam. The study also seeks to understand the effects on social relations these alternative forms of money may have since, to use a pun, as Raddon, (2003:35) asserts, 'gender divisions between "monetary" and "non-monetary" are two sides of a coin'.

This section has looked at some of the literature on money. It has argued that money is seen by micro-credit agencies and development theories mainly as a unique ingredient that is accredited with the multiplying, life-changing effect of reducing poor women's poverty and empowering them. Micro-credit institutions see money as a commodity whose main feature is exchange in the market. This section also reviewed some alternative ways of understanding money. One view understood money as a community currency while the other called for organising markets as equal exchange, thus detaching money from the capitalist institutions that currently define it. The section also argued that money's role is broader than simply a commodity for exchange. It was further stated that perceiving money purely along economic lines ignores the social, cultural and symbolic meanings that local societies attribute to it. Micro-credit institutions operating in Tanzania offer women money to reduce poverty and to empower them while disregarding the social and cultural role that it plays in their lives. Since this study argues that these social and gender relations are essential in understanding both poverty and its reduction, it equally deems it necessary to study the meaning of money as understood by poor women if it is to understand and explain why micro-credit has not been very successful in achieving its goal of reducing poverty among women. The section that follows looks at the household as a setting within which poverty reduction practices take place and where money as a tool for this process plays an important role.

CONCLUSION

This chapter has outlined the literature used and the theoretical framework that the study will employ in its quest to explain and understand the meaning and role of money in poor women's lives. Understanding this reality from the poor women themselves will contribute to the reasons why women do not benefit from micro-credit as a poverty reduction strategy in Tanzania. This chapter has reviewed gender and development theories and how they can be used to explain and understand the experience of poverty in general and women's circumstances in particular. This chapter has also highlighted some of the arguments behind the adoption of micro-credit as a solution to women's empowerment and poverty reduction. This became a global concern following the Women's Development Decade of 1975-85 where women met at global summits to discuss their issues and what can be done about their plight. After accepting that women were not just poor but are the poorest of the poor, initiatives such as the Micro-credit Summit and the Beijing Platform for Action decided that women needed to be given the opportunity to access credit as a way to reduce both their poverty and improve the lives of their families and households. To understand women's poverty concerns, the chapter identified theories of gender and development as the main guiding framework for explaining the relationship between gender, market relations and the household in relation to micro-credit and money.

This chapter has also discussed some of the issues that arise from micro-credit, such as empowerment and how, if at all, it can be achieved. Micro-credit schemes see credit as a gateway to poor women's empowerment and poverty reduction, although it has been argued in this study that this is not an automatic result. Simply having access to financial services, without taking into account either how the money obtained is utilized in the household or external market forces, will not automatically empower women and reduce their poverty. The situation is more challenging when micro-credit schemes ignore the gender relations and traditional practices within which these women live and work.

Money is another concept that plays a central role in how micro-credit agencies formulate their arguments for improving women's lives and reducing their poverty status. Poor women who are granted access to financial services are expected to invest this money in economically productive business ventures with the aim of making profit. This study will look at how this money is utilised both in the household and the market sector. The household was identified as an interesting area from which to study how money is utilised in a real and practical way, including all the gender and power relations inherent within it. It was argued that household budgeting would shed light on the meanings and values placed on types of money, as well as indicate how decisions on money and its investment are made. It will also be an important concern for the study to uncover the different meanings and forms of money and whether these align with the meaning adopted by micro-credit and development theories.

Notes:

1. Commercialization is formed with the aim of reducing donor dependence and Exponentially increasing the number of clients; however, this profit-making motive means that eventually these micro-credit institutions will abandon their poorer clients in their own search for commercial sustainability.

2. Tanzania is a predominantly rural society that relies heavily on agriculture. As such land is a major focus in efforts to reduce poverty and initiate development; for instance, the PRSPs progress report has recognized that lack of support for the subsistence sector, where women are often concentrated, undermines food security at the household level.

3. The Micro-credit Summit in 1997 set itself an objective of working to ensure that 100 million of the world's poorest families, especially the women of those families, received credit for self-employment and other financial business services by the year 2005.

4. Local people are often not listened to, or are brushed aside, or interpreted in a bad light. The poor are often cautious and defensive towards experts, who are often outsiders in terms of not being 'one of them', as such they are somehow skeptical and do not feel part of the process being initiated.

5. Empowerment featured prominently in the World Summit of Social Development in Copenhagen in March 1995, where it was seen as an important objective in micro-credit and gender issues. Development programmes, NGOs and government agencies have popularized the use of empowerment both as a term and as a goal.

6. Friedrich and Jellema (2003) view the attributes associated with an 'empowered' woman, such as being organized as opposed to being without a plan, knowledgeable as opposed to ignorant, realistic as opposed to being a dreamer, self confident as opposed to being insecure, independent as opposed to being dependent, articulate and mobile as opposed to not knowing how to talk or being lazy, and the scales and indices for measuring them, are strikingly similar to the criteria laid out by modernization theorists in the classifications, axioms, and surveys of the 1960s.

7. See Hart, 2001: 242 for a summary of the history of money.

8. Hart, 2001 notes how exchange without a money payment is quite common in the commercial world of modern businesses even though barter is generally seen as the primitive antecedent of the market, separated from it by the historical invention of money.

9. For Simmel, money was crucial in the development of the modern world especially its primary function of rationalizing calculations in the social world.

10. Community currencies are said to create opportunities for expanding social networks - forming new types of relationships, receiving new services and performing new types of work, even incubating new businesses. They are thought to establish a social space that allows women and men to test, transgress and transcend customary boundaries of class and gender(see Raddon, 2003 Chapter two and http://ithacahours.com).

CHAPTER THREE

METHODOLOGY

3.0 THE STUDY

The research was conducted in Dar es Salaam since the study is interested in urban poverty. Besides, as the commercial capital of Tanzania, Dar es Salaam is also the destination to which most poor women flock in the belief that there are opportunities that will change their poverty status. They perceive Dar es Salaam to be a place where one's struggles in income generating activities are better rewarded when compared to the rural areas. Details of Dar es Salaam as an important urban setting and poor women's struggles to reduce their poverty are found in Chapters Four and Six respectively. The micro-credit institutions of SELFINA and PRIDE were chosen for the study. According to the Bank of Tanzania's 'Tanzania Micro Finance Institutions Directory of 2005, Tanzania has a total of 1899 micro-finance institutions. There are 1813 in the mainland and 86 in the islands of Zanzibar and Pemba. PRIDE was selected because it is the biggest and oldest micro-credit institution in Tanzania that uses group solidarity to extend loans to its clients. SELFINA was chosen as a micro-credit institution that uses individual mode of extending leases/loans to its clients. Details of how these two credit providing institutions operate including their differences and similarities are discussed in Chapter Four. The study was carried out March – June 2005. It should be noted here that micro-credit is not an option for every poor woman in Tanzania. Micro-credit is featured in my study because it was an issue for the women that I interviewed, hence the information obtained may not be representative of all poor women in Dar es Salaam.

Initially, the micro-credit institutions of PRIDE and SELFINA were selected with the hope that they would provide insights into which method of credit delivery was more effective in helping women to reduce their poverty. I was interested in finding out whether the two micro-credit institutions had different perceptions of money, which might be reflected through their different methods of credit delivery. However, these aims were not pursued in the study because, although they followed different credit delivery paths, both institutions had a similar aim of providing financial services to poor women. These two organisations represent the main types of micro-credit in Tanzania as they use two of distinct ways of extending credit to their clients. The group type of lending is more common than the individual kind, which is gaining popularity.

Securing access to these two institutions was initially quite complicated. My local institution, The Open University of Tanzania, made the process of obtaining a research clearance easier. It provided the research clearance document that I needed to present to the agencies. Research clearance was obtained after producing relevant letters from the London School of Economics, the Ford Foundation International Fellowship Program and the Open University of Tanzania. Gaining access to the micro-credit institutions took time. I had to physically go over to their respective offices as I felt that talking over the telephone would not help much. I had to go over about three times, reminding them who I was and what my mission was until, after a waiting period of about three weeks after submitting my research clearance letters to them, I was scheduled to have a meeting with the officer undertaking research issues. This officer scheduled me for an introductory appointment with the management. PRIDE explained that the delay was due to the process of taking all documents to their head offices in Arusha, a town that is approximately 700 kilometres from Dar es Salaam, and that it took time for the decision to get back to Dar es Salaam. SELFINA explained that the delay was owing to the fact that their managing director was away and would be back in a fortnight. Then she needed time to sort her desk before contacting me. The initial contact with this micro-credit management was to introduce myself in person and to inform them of my research in more detail. These meetings went well. Our next meeting was for interview purposes. The study was basically interview based but also used other ethnographic kinds of material such as participant observation and documentary evidence. Two sets of interviews were conducted with each micro-credit agency, one set with the management and the other with credit officers.

The attitude of micro-credit institutions reflects both their outlook towards research as well as the pace at which most things happen in Tanzania. Things happen at a much slower pace in the field than I had anticipated. Meetings took longer to organize, and a high frequency of cancellations and last minute alterations caused me to spend more time in the field. In fact, on many occasions the attitude of micro-credit officials did not help much. On one occasion, a credit officer actually commented that my research was not a priority of their institution when a month after the initial meeting, I asked whether I was going to be given permission to conduct my study at their institution. I stated that if I was not, then I would like to withdraw my request so that I could look into another institution. However, the atmosphere of the interviews with the management of both micro-credit agencies was relaxed and informative, with the management keen to portray their institution in a positive light by stressing the benefits their services have provided to their clients. In contrast, the interviews with the credit officers were a little guarded, even though the interviews were conducted separately and I had assured them that the information provided would be treated with confidence and would be used specifically for academic purposes only. Credit officials pointed out the benefits credit had for their clients; however, they were rather defensive about their organizations. This could be because they assumed the role of patrons who had to defend the interests of their organization and at the same time both their organization and they themselves were probably concerned that what they said to me might have consequences for their work. Their defensiveness could also imply that they are aware of some shortcomings in the way their organizations work and that they are not willing to have them disclosed. It could also be that, because they were used to the teacher-student role with their clients, it was easier for them to switch to that role as they seemed keen to instruct me about what they do and how the loan procedure works, given that I was there to learn from them. To tip the balance of power of the conversations, I sometimes reminded them I was a graduate student, and since they have respect for institutions of higher learning, their authoritarian attitudes subsided.

The interviews with the women clients of micro-credit agencies were different from those with the officials. To begin with, the micro-credit agencies pointed me to those of their clients who fitted my selection criteria. I sought women who had been their clients for at least six months because they would have experienced several loan cycles, and hence would be in a position to discuss the effect the money they received had had on both their personal lives and their businesses. A total of forty women respondents were interviewed individually (See appendix for detailed breakdown of these women's characteristics). These women were clients of either PRIDE or SELFINA. I also had time to discuss with market traders and urban farmers – these did not form part of the total number of respondents in this study as they are not members of any micro-credit institution (see note 13 chapter four). The first few interviews that I conducted with respondents pointed out by micro-credit agencies did not elicit much information. This could have been because the women wanted to remain loyal to their institution, and did not want to sound ungrateful. In response to this situation, I reassured them that our discussion would be confidential and that it would not in any way affect their position as I was working independently of the micro-credit agency. I was also careful not to raise false expectations so I mentioned my student status quite early on in the interview process and clearly stated that I was interested to learn of their experiences of money, credit, living in Dar es Salaam and their businesses. Although almost all the women clients I interviewed had lower educational qualifications than I, which may have created issues of power relations between us, I was quick to reassure these women that I was the privileged one to have the opportunity to learn and gain from their wealth of experience- as experience is the best teacher.

On the second day, in order to avoid repeating the experiences of the previous day, I asked to sit outside in the garden with the women, at a place where our conversations could not be overheard or interrupted. This seemed to work, as the women became more open and gave reasonable accounts of their experiences. Then I asked them to point me out to their colleagues who had also experienced several loan cycles, so that I could conduct further interviews. Some women responded positively and introduced me to their colleagues. These further interviews could be conducted anywhere at the women's convenience. These interviews also provided an opportunity to observe some of the women in their businesses or homes. Some of these interviews turned out to be even more diverse and informative, probably because these women were in their comfort zone. To avoid these interviews being a repetition of what their colleagues had said, I clearly stated the reasons why we were having the interview, and that I wanted them to tell me about their own experiences. In order to counter-check that the appropriate candidates were selected, these respondents were asked about the size of loan they were taking. Since the initial loan size of 50,000 Tanzania shillings (£20.55) was known, it was easy to infer which loan cycle a client was on from the amount of money they mentioned. This determined whether or not they were appropriate for inclusion in the study, which aimed at clients who had experienced at least two or more loan cycles and had learnt from these experiences.

From PRIDE, I interviewed a total of twenty-two (22) respondents including nineteen (19) clients and three (3) officials. While for SELFINA, a total of (18) respondents were interviewed; these included fifteen (15) clients and three (3) officials. Although the six micro-credit officials interviewed put forward some of their own ideas, they generally articulated and represented their respective company policies. These interviews were largely formal and repetitive, so that including more officials would have yielded the same responses. The thirty-four (34) micro-credit clients allowed for a relatively close scrutiny of the respondents' extensive experiences of living under conditions of poverty and their utilization of money. It also allowed for an enhanced review and understanding of their income generating activities given the three-and-a-half month period I was in the field (see Appendix).

3.1 IN-DEPTH INTERVIEWS

In-depth interviews were the main research technique used to gather information from respondents. This method of gathering information allows for face-to-face discussions and probing where information given is not clear. It provided an opportunity to see how women articulated their own experiences of living in poverty as well as of being micro-credit clients. In particular the study aimed to find out about poor women's beliefs about money, and the role it plays in their lives with regard to reducing their poverty. Most studies on poverty and poverty reduction (see Bell, 2003 and Bridge, 2001) rely on household surveys. These surveys generally single out the head of the household as the most appropriate respondent. In most households, the head is not a woman; as such their views remain unheard, apart from the instances where the head of the household is a woman. Consequently women's views remain largely unheard in research and to avoid this, the study set out specifically to use in-depth interviews in order to get women's views. This allowed uncovering information on household relations from women's perspective, as important contributors to the day to day management and functioning of the household and household relations. This is evident from the case study samples both in terms of the detail that these women provided as well as the emphasis on what they considered to be significant issues for the improvement of their livelihood in general. Most of the women I interviewed discussed issues of empowerment in terms of improvement of their living standards and in some cases as the ability to use their bargaining power to participate in decision-making in their household. Some women explained empowerment in terms of their spouses' recognition of their efforts in business participation, especially those spouses who previously disregarded women's businesses as petty.

Because this study focuses on the discrepancies between agency and client understandings of money, in-depth interviews were the most appropriate method, allowing access to those aspects of money that escape the more limited and economistic official perspectives as well as capturing the diversity of monetary practice that contrasts with the universalistic perspective of most agencies. In-depth interviews enabled the women to express their views describing how they understood money and the role it played in their lives, for instance the women who stated that having access to credit facilities and a business have improved their outlook towards life in the city of Dar es salaam. Issues of gender and power relations within the household featured in the interviews in order to assess the way in which women's money helps in negotiation and decision-making as is stipulated by micro-credit agencies.

Building rapport with the respondents is an essential part of the interview process. Since most of the women I interviewed were involved in trading businesses and were used to interacting with various kinds of people, the process of building rapport went smoothly. The process of breaking the ice and warming up to talks was also eased by the Tanzanian culture, where people who hardly know each other always converse like old friends, so that approaching people is usually not very difficult. Being a Tanzanian myself made it relatively easier for me to break the ice in conversations even though in-depth interviews required more time for intense conversation. I had to carefully build a rapport with the interviewees before beginning these intensive conversations. In-depth interviews were a good place to start discussions that were aimed at producing a different kind of knowledge about women's views on money, poverty, saving mechanisms, and credit and how these views compare with the views of micro-credit institutions. Micro-credit agencies' views of money and poverty are mainly tied to quantitative and survey methods, such as the household budget surveys which identify women as the poorest, hence their need to access credit. The in-depth interviews generated views about money and poverty which differed from those believed by micro-credit institutions. Where micro-credit agencies draw on their clients' credit history and statistics as an indication of their success in reducing poverty among its clients, their clients preferred to look at the role the money plays in the general improvement of their entire way of life.

Moreover, the in-depth interviews also revealed that some poor women have found ways of paying back their loans even when the quality of their lives remains the same if not worse, by asking for money from boyfriends, relatives or borrowing from other credit sources. This shows that judging a woman's success in reducing their poverty from the repayments they make does not lead to a holistic understanding of the women's poverty concerns, it is rather a limited way of approaching poverty reduction within this society. In addition in-depth interviews brought to light that in spite of its scarcity, poor women do not consider money to be the most important resource as far as their poverty is concerned, unlike the supporters of micro-credit, who tend to place money at the centre of the poverty reduction campaign. A larger number of clients is assumed to mean a larger number of women raised out of poverty. While from the in-depth interviews, this study found that these women clients have various means of making sure they maintain their returns. Some of these ways have nothing to do with their changed status. For instance, some women were getting money for returns by borrowing it from other credit sources including Rotating Savings and Credit Associations (ROSCAs) or other micro-credit institutions, or getting the money from boyfriends and relatives. While this ensured they made their repayments, it does not translate into improved standards of living or a reduction of their poverty.

A thematic interview schedule was used. The themes that featured in this schedule were:

- Views of micro-credit, savings and debt

  The aim was to understand the different sources and methods of obtaining money that poor women utilised. It also looked at micro-credit agencies' views of money and savings. It was also interested in understanding how the money obtained was used.

- Women and poverty

  The aim was to understand how poor women perceive poverty and the effects of gender and patriarchal relations in their households.

- Business and the informal sector

  The aim was to show not only the kinds of activities poor women engage in, but also, importantly, the implications of such businesses both for poverty reduction and for gender relations and stereotypes.

- Urbanism and traditional values and practices

  Considered important because most Dar es Salaam dwellers are migrants from rural areas, who moved to the city in search of better life prospects. This theme aimed to understand the difficulties these immigrants face in their attempt to make money and reduce poverty, given the limitations in education, urbanism and resources.

These themes help to understand poor women's circumstances in a different light. They reveal that poor women do not merely exist on their own independent of other social relations, and that giving money to them as individuals while ignoring the social relations existing within their households ignores the relations which determine how resources are distributed, thereby addresses only part of their poverty concerns.

The language used in the interviews was Kiswahili, the national language known and spoken by almost all Tanzanians. Being Tanzanian myself, this provided me with an even greater opportunity of understanding the meanings, symbols and gestures that respondents used in describing or explaining their experiences. For instance, during the interviews when a respondent wanted to emphasise that they did not have any money she might use phrases such as, 'very hot sun, very white, or very hungry'. I would then understand that they were referring to lack of money, without having to ask for an elaboration. While there are certain gestures that a respondent may use to add emphasis to her point, some of these can be easily missed or not understood by a researcher who is not socialised into Tanzanian life, as these symbols or phrases may mean different things in different contexts or cultures.

My position as a female Tanzanian may have had an impact on the study. The existing poverty reduction strategies in Tanzania have created an awareness among the women which enabled them to welcome me and be more upfront in assisting their fellow women and reflecting on their efforts to improve their circumstances. My introduction as a university researcher may have earned me a level of respect that enabled interviewees to respond positively. For example, micro-credit officials had ensured that they had prepared themselves beforehand in order to give good interviews while poor women were honoured to discuss their situation with an educated woman who would understand. Credit officials treated me with respect because they were university graduates themselves, while poor women's respect may have arisen from their low level of education. My gender made it possible for interviewees to express their views on patriarchy and gender discrimination.

During the interviews, with the permission of respondents, interviews were tape recorded to enable me to capture all the details of the conversation. This was important as it gave me the chance to concentrate on the conversation instead of worrying about jotting down things from the conversation that I thought were interesting or needed further clarification. Recording the conversation also made me more attentive in following up the conversation. However, some respondents needed a little bit more encouragement about the recording. They were concerned their thoughts might get back to the credit officers, but after reassuring them that this would never happen as I was not in any way part of micro-credit nor working on their behalf, most women conceded and the recording went ahead, while a few chose not to be recorded. Such a situation could imply that these women are simply generally afraid to have their views made public, particularly to micro-credit institutions, perhaps for fear of what this might mean for them as clients, or that they are just not used to expressing themselves or having their views regarded as important, and hence were not sure how to react to a situation in which their views were considered important enough to be recorded. I used a relatively small tape recorder, the Sanyo talk book with TDK B 90 cassettes, which did not require the distraction of periodically changing the tape during the interviews.

In-depth interviews take considerable time thereby allowing respondents to discuss their views at length. They enabled me to obtain explanations of the reasons underlying a particular problem or practice, clarifications, examples and to probe where issues were not clear, or just to counter-check the validity of the information being provided. In some cases I had to participate in helping the respondent take care of small matters such as wrapping up a customer's purchases while she attended to her shop. On two separate occasions I had to stop the interview for some time when the respondents had to attend to domestic issues before they could continue. On one occasion we agreed to continue the interview on a second day because of the number of disruptions that were occurring at the respondent's home. These instances exemplify poor women's everyday lives and the burden of different tasks they usually have to juggle; it was also important that the interviews did not make their lives more difficult. Being there and helping out made their situation more understandable, for example showing why some women prefer to send their repayments along with their friends on days when they cannot get away from their busy schedules.

Moreover, this further shows the existing gap between micro-credit agencies and poor women. When micro-credit officials ask these women to work harder in order to 'make it' in their businesses, they are talking from a perspective which reflects how little understanding they have of their clients' everyday lives. After the initial visit to ascertain a client's business potential, micro-credit officials' only contact with their clients is at meetings for repayments or a new loan. As they rarely conduct research on their clients, micro-credit agencies can be said to be out of touch with their clients' real life experiences. This can be contrasted to the interviews with credit officials where those interviews were conducted in an office environment, with very little interruptions if any. The credit officials could pre-arrange their schedule in such a way that they made time to talk to me while everything else either waited or was taken care of by other credit officers.

3.2 **FOCUS GROUP DISCUSSION**

A focus group discussion of seven respondents was drawn mainly from PRIDE clients who had already been interviewed. This was made easier to organise because these clients are usually already involved in groups within their organisation. These respondents were, however, purposely selected from previous in-depth interviewees who appeared to be very informative and outspoken during the initial interview. Focus group discussion was used mainly to counter-check some of the information on women's experiences of dealing with micro-credit agencies, in order to gain a clearer understanding of these experiences in relation to money. It was also hoped that it would produce rich and meaningful sharing of experiences on a number of cross cutting issues that are of interest to this study. The focus group discussion also particularly aimed to encourage discussion about gender relation concerns that were common to poor women with informal businesses. This group produced interesting information on some of the similarities of business ideas and the women's heavy reliance on social networks in making business decisions. After the focus group discussion, I gave these women an incentive. I bought them soft drinks and gave them money (5000 Tanzania shillings which is equivalent to 2 Sterling Pounds). Although this might not seem much, in Tanzania in 2005 it was enough to feed a poor family of four for three days. This money was given as a way of thanking these women. I had taken them out of their respective income generating activities and household chores and gathered them together for a whole afternoon till late evening; I thought it was the least I could do to show my appreciation for their contribution. I gave them these envelopes at the very end of the session, and since they were not aware of the envelopes' existence, the information they gave is reliable and was not influenced by the money.

3.3 DOCUMENTARY EVIDENCE

Documentary evidence used from the field consisted of materials either produced by the micro-credit institutions themselves or on their behalf. These materials largely contain details of the historical development of the micro-credit agencies, in terms of increasing their clientele, opening up new branches in the rest of the country and moving from the position of being heavily donor reliant to being more self sustaining. Micro-credit agencies are proud of the achievements made so far and are striving towards accomplishing financial self sufficiency and a larger client portfolio. PRIDE, for instance, was celebrating its tenth anniversary. It first started working in Tanzania in 1994. To mark the occasion, it produced fliers showing its progress during the ten years. This flier contained information about the number of clients it has had so far, the number of branches it has and a selection of some of its outstanding clients, their businesses and how these businesses have helped them reduce their poverty status. Mostly these documents are prepared for and targeted towards donors, as well as to attract new clients. This is implied in the way they only discuss the success stories, and do not feature other concerns their clients might have, including marketing concerns, or diversification of businesses and business ideas. Nevertheless, these sources provided a picture of how the agencies presented themselves in public: in brief, they depict themselves as geared towards privatisation and becoming more like micro-finance banks.

3.4 DISCUSSION ISSUES

The significant findings of this research emerged due to the qualitative research approach that allowed women to articulate their specific understandings of their experiences of the meaning of money and poverty. This approach captured a different understanding of poor women's predicament from that that is usually portrayed by development policies and micro-credit agencies who believe that credit is the answer to women's poverty and that access to financial resources will change these women's lives. Once they are given access to credit, it is believed that these women have the power to invest it in their own income generating activities, get money which only they will decide how to spend for their own benefit and that of their family. My research found that in general many of these women do not have absolute decision-making power on how the money they get is invested, nor do they benefit hugely from the proceeds. This is mainly due to the patriarchal and gender relations that govern how household members, and the resources within the household relate to one another.

The findings of this study show how poor women understand, use and assess money in their lives. Although they are poor, they do not categorise lack of money as their number one poverty concern. This reality is missed by micro-credit agencies and development policies who assume that lack of income is central to these women's poverty reduction. Micro-credit agencies and development polices could use these findings to understand the plight of their clients better and hence review their strategies in order to make policies that respond more closely to poor women's reality in Dar es Salaam. On the whole, micro-credit agencies could learn from this study the importance of conducting research on their clients to assess their needs in order to make relevant policy judgements. Moreover micro-credit agencies need to learn and understand the cultural values of the people they serve in order to incorporate some important cultural traits of their clients which may be significant combating poverty. This study raises concerns about the kinds of issues that need to be included in micro-credit policies in order for them to have a more effective response to poverty reduction.

3.5 **ETHICAL CONCERNS**

The ethical concerns that this research raises mostly involve power relations. Poor women are vulnerable in a number of ways. They lack power, education, respect and self esteem. They lack a great deal of information and are susceptible to misinformation. It is easy to persuade them to believe the wrong thing. Through conducting this study I was sensitive to this fact and tried my best not to create false expectations that I cannot fulfil. I clearly stated that I was a student seeking to learn from them and did not promise anything in return, other than that their interviews would be treated as confidential. It may be that since my initial contact with the respondents was through their micro-credit agencies, this may have influenced the information that they provided me with in a certain way. It may also have influenced their readiness to talk to me, which I appreciated. However, as I was aware of this possibility, I was eager to reassure them that I was not by any means part of the micro-credit management and suggested that other interviews be conducted in a neutral environment away from the micro-credit office premises, where the women could feel safe to talk freely, and where they feel in control. Micro-credit officials noted that they have to deal with their clients as professionals so that these clients understand their responsibility, and keep their end of the bargain during repayment sessions as they are time constrained in the business environment. In such an environment the women would not feel free to talk, and this is why I suggested the neutral environment. The study deals with some sensitive issues at the household level that pose a dilemma in reporting, such as gender violence and abuse, which the women in question confided but did not want exposed. I was in a dilemma as to how to deal with information of this sort that had been given in confidence.

Traditional values and norms are delicate matters to comment on. To a great extent, poor women in Dar es Salaam are negatively affected by traditional practices which favour men over women in resource allocation and distribution at the household level. I understood that I could not do anything about the discriminatory traditional practices, so I listened empathetically as I shared some of the issues they spoke about. Even as this study understands the sensitivity of these issues, it calls for practices that repress and undermine women to be questioned and debated, and eventually change may happen. Although Tanzania has signed a number of laws that prohibit the discrimination and violence against women, in practise, these laws are not implemented. This is made worse by women's failure to report cases of violence and abuse mainly due to traditional and customary sanctions.

I would like the findings of this study to be accessed by all those interested in poverty issues and poverty reduction strategies, researchers interested in understanding women's vulnerability in the face of new development initiatives such as micro-credit as well as local and international non-governmental organisations. Mostly, I think micro-credit institutions, policy makers and development partners will benefit from the issues raised in this study and its contribution to understanding poverty and micro-credit as a poverty reduction strategy. I hope that lessons will be learnt from the bottom up approach taken by this study, so that the role that money plays in reducing women's poverty may be better understood.

CHAPTER FOUR

MICRO-CREDIT, WOMEN AND POVERTY

4.0 INTRODUCTION

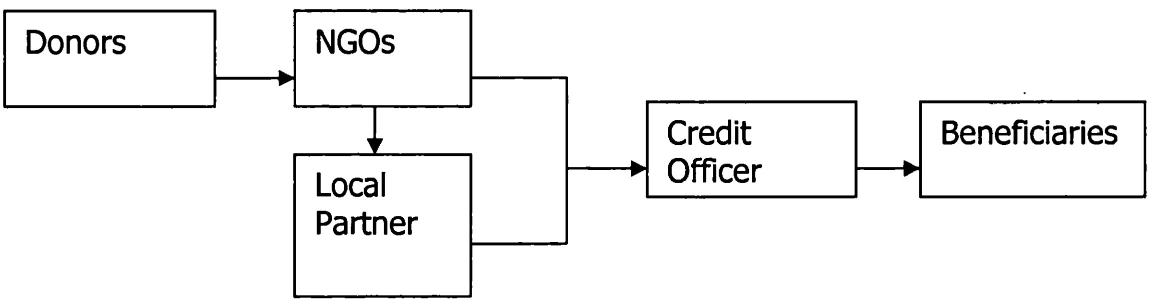
The post-structural adjustment period saw a myriad of socio-political and economic changes in Tanzania. The socialist policies that had been in place since the 1977 Arusha Declaration had come to an end. For years, the public had been assured that it was alright to be poor if anything; it was those with money who were at fault.[1] Following the adjustments, people were urged to make money themselves and engage in cost sharing of services that had been provided free of charge. In politics, single party dominance was replaced by a system of multiple parties, and somehow capitalism was no longer deemed dissolute. As a result of the Structural Adjustment Programmes, Tanzania embarked on a programme to dismantle state economic control and encourage the more active participation of the private sector in the economy as an alternative means of ensuring poverty reduction. These adjustments included 'a comprehensive package of policies to reduce the budget deficit and improve monetary control, liberate the trade regime, free interest rates and initiate a restructuring of the financial sector' (Executive Icon Group Report, 2000:92). These measures aimed to liberate the economy from socialist policies, which had so far failed to significantly reduce poverty. Instead a market economy was encouraged, where small-scale trading was adopted as the main economic activity for poverty reduction.[2] Micro and small-scale enterprises were proposed as a new alternative for poverty reduction and sustainable development.

These economic changes, which aimed to bring about an effective and efficient financial system, led to the introduction of commercial micro-credit facilities in Tanzania. The term micro-credit is often used to identify a mixture of financial and non-financial services by development practitioners, scholars and international organisations, and credit providing institutions themselves. In this study, the term is used with reference to the following factors. First, the target beneficiaries: the poor who have difficulty in accessing conventional financial resources. Second, low loan amounts: given to the poor for purposes of improving their productive activity with a view to making higher returns. Third, short repayment periods: the predefined plans and frequent instalments that a borrower has to meet either on a weekly or monthly basis. Fourth, lack of collateral: lack of traditional collateral and/or stable documented revenues have prevented the poor from accessing formal credit facilities. The main method used by micro-credit institutions for risk mitigation involves group lending.

Micro-credit, that is, small loans made often without traditional guarantees, aimed at improving the lives of clients and their families, are promoted as a means to combat poverty and assist poor and low-income households to gain access to financial services for self-employment and income generation.[3] These loans are generally donor funded and are channelled to their recipients through local partners and NGOs, see Figure 4.1 below. The women members of these households were specifically targeted by these micro-credit agencies as a social group that needed credit facilities the most. Some micro-credit agencies also target other vulnerable social groups, such as the disabled or small-scale entrepreneurs. Women were given priority not only because they are the most vulnerable, but also because they are more reliable than men when it comes to repayments (Burra, Ranadive and Murthy, 2005; Rahman, 1999). Moreover, studies have argued that entire households benefit when women are offered credit (see Pitt, Khandker and Cartwright, 2003).

Figure 4.1 below shows the standard structure through which most micro-credit systems operate.

Figure 4.1 The Standard Micro-credit Structure.



Source: Adopted from La Torre and Vento (2006:2)

To understand micro-credit in Tanzania, this chapter reviews two credit providing institutions PRIDE and SELFINA[4] highlighting how they operate and their views on poverty reduction. In this analysis, emphasis is put on how they connect with and understand the socio-cultural environment in which their clients operate. This is important for the study as it goes beyond analysing what micro-credit does for its clients; rather, it attempts to explain the discrepancies in their views on money, economic investment and how poor women actually conduct their businesses and lead their lives. Micro-credit agencies in Tanzania primarily offer credit as their main service to their clients for the sole purpose of income generation. These agencies also conduct training sessions for prospective clients, but as will be shown later in the discussion of the agencies, this training is specifically on the loan procedure. Micro-credit agencies place emphasis on the regulation of these loans to ensure maximum repayment rates.

This chapter is divided into five parts. The first part looks at the main features of micro-credit in the Tanzanian context. The second part discusses PRIDE and SELFINA micro-credit agencies: PRIDE because it is the largest micro-credit institution in Tanzania, and SELFINA because it is the pioneer in micro-leasing. The third part offers a critique of the problems shared by these micro-credit agencies. The next part is a case study of one woman's experience with the micro-credit agencies. The chapter ends with a discussion of the micro-credit agencies' views of businesses and the loan repayments. These views are important in explaining why PRIDE and SELFINA operate the way they do. This part of the chapter expounds how emphasising loans and repayments rather than their clients' businesses affects women's monetary practices and their attempt to reduce their poverty.

4.1 **INTRODUCTION TO MICRO-CREDIT AGENCIES**

This section aims to introduce the main features and issues associated with micro-credit. It will also view micro-credit in the context of the Tanzanian experience. Micro-credit has certainly grown world wide and attracted international interest, and has been incorporated in mainstream development strategies. Professor Muhammad Yunus, the founder of the Grameen Bank model, which has largely been adapted globally, was awarded the Nobel Peace Prize in 2007. He was 'recognized as a visionary in a movement that has spread globally, claiming over 65 million customers at the end of 2002. These clients are served by micro finance institutions that are providing small loans without collateral, collecting deposits, and selling insurance to the poor, who had been written off by commercial banks as unprofitable' (Islam, 2007:10). These poor are given an opportunity for self-employment and income generation, which is then expected to reverse their poverty status. The reputation of this model has instigated a growing interest in micro-credit. With ever-increasing attention came intense scrutiny of micro-credit's actual benefits for its clients and for poverty reduction and women's empowerment.

The reputed success that pioneer micro-credit institutions have had in extending and recovering loans to the poor has attracted worldwide attention. Donors, governments, NGOs and currently some large commercial banks have redirected efforts and resources towards new micro-credit and micro-enterprise development projects (Islam, 2007: Daley-Harris and Awimbo, 2006: Jain and Moore, 2003). Within Tanzania, there are numerous micro-finance institutions.[5] Commercial banks such as Akiba, Azania and the National Micro-finance Bank (NMB) are among the leading commercial banks providing micro-credit services to their clients. Mkurabita is the latest NGO initiative specifically aimed at poor business people in Tanzania. Micro-credit has become fashionable and is catching on fast. Most of these facilities are impressed by the rate of returns made. Managing high returns has been put down to the organisational structure of efficient banking operations, which minimise leakage of funds through loan default or misappropriation of money by staff. Above all, keeping transaction costs low by reducing the need for and cost of following up cases of loan defaults have been key in cutting down costs.

Micro-credit institutions in Tanzania have largely built on the notion of a pre-existing group-based credit system in the form of Rotating Savings and Credit Associations (ROSCAs), locally known as 'Upatu'/'Kibati'. What the NGO micro-credit schemes did was use the already popular group-based idea of ROSCAs to launch their current brand of group-based lending. They popularised this model by arguing that not only does it provide financial intermediation, but also social intermediation, such as developing self-confidence and training in financial literacy and management capabilities among group members. The micro-credit institutions in general, and PRIDE and SELFINA in particular, claim to improve the lives of poor households through their own labour (SELFINA, 2005; PRIDE, 2004). To be eligible to join, a prospective client must be self employed with a working business. PRIDE and SELFINA were specific about offering their services to those businesses that were already in existence. They state that their main objective is to support poor but economically active women out of poverty by offering financial assistance to improve their income generating activities. These women are expected to repay this money which will be used in a rotating fund to assist other poor women.

The condition that clients have an already existing business can be said to be a system micro-credit agencies use to filter out the clients that they do not consider fit to receive financial assistance. Such a system has raised concerns that micro-credit does not reach all sectors of the poor, let alone the poorest (Daley-Harris, 2002; Mayoux, 2003; Islam, 2007). There are suggestions that micro-credit does not 'reach very far down the poverty spectrum either in absolute terms or relative to other income categories, instead clients tend to be clustered around the poverty line, being predominantly moderately poor or vulnerable non-poor' (Matin, 1998 in Islam 2007:3). Micro-credit mainly reaches the middle strata of the poor population (Fraser and Kazi, 2004). Requiring clients to have an existing business implies a reliance on measuring a client's worth in economic terms. Those with a business, and who are therefore earning some income, are more likely to be considered than those who do not run businesses. This shows an understanding of poverty based on the 'money metric' measure of income (Chant, 2007a:61). The economic categorisation of poverty disregards the holistic approach to poverty, which includes other qualifications such as social and physical deprivation. This condition for inclusion as clients of micro-credit agencies does not reflect the reality of those it aims to serve.

Once poor women fulfil the condition of having a working business, and are given access to credit, they are required to 'work hard' in order to succeed in their businesses. Prospective and existing clients are informed that all it takes to reduce and possibly end their poverty status is their own hard work. For micro-credit agencies, working hard is equated with timely repayments of the loan and getting a bigger loan. These women are led to believe that their success as businesswomen depends on their hard work. However, to succeed in business depends on much more than merely their labour. There are a number of underlying factors involved, such as the informal sector regulations, the market with its irregularities, inflation of commodity prices, competition from foreign investors and the skills and technology used in production.

Equating poverty reduction with 'hard work' can be said to be based on the financial self-sustainability goal of micro-credit. Micro-credit agencies believe that the harder these women 'work', the more they are likely to make money for timely repayments which will then enable them to get bigger loans. Meanwhile, this will lead to the growth of women's businesses which translates into poverty reduction. The more money they make from their hard work, the less poor they will be. Again, this perception of poverty and its reduction centre on monetary measures. The hard work proposed by micro-credit agencies is the money making, income generating schemes that these women clients engage in. This view overlooks the other kind of work that poor women perform – the unpaid domestic work – disregarding its importance because it has no monetary value attached to it.

In Tanzania, micro-credit is largely urban based and is concentrated in town centres and major cities. Consequently, it fails to address directly the particular concerns of the poor who predominantly live in the rural areas in Tanzania (Chijoriga, 2000). The most popular micro-credit format used in

Tanzania is the modified Grameen Bank model replicated from Bangladesh, where the model was specifically developed to cater for a predominantly rural population. In order to manage credit risk, this model advocates a relationship between micro-credit agencies and their clients that is based on reciprocal trust. This is something that requires a reasonable proximity between the two parties. This is why NGOs are most suited for this purpose as they can ensure direct contact with the local community (La Torre and Vento, 2006). These groups promote solidarity and participatory interaction. Details of group composition are discussed under PRIDE below. This social organisation of micro-credit agencies in Tanzania has not worked quite as smoothly as it did in Bangladesh, where the women tended to remain in the scheme longer hence building the trust and support necessary for group lending.

In the Tanzanian experience, although many poor women have found it easy to join these schemes, many have found it difficult to maintain their involvement after a few loan cycles. This could be attributed to the social organisation of these schemes, the cohesion of which is not secured. This is mainly due to the mobility of clients, who frequently join and then drop out of these schemes. Micro-credit agencies have often been concerned with the high client dropout rates. One client of micro-credit has echoed this concern by stating that 'I drop out and begin a new cycle every so often. I dropped out when I reached 300,000 Tanzania shillings at Kariakoo branch, and joined again at a different branch in Magomeni two months later.' By her own admission this client has dropped out and rejoined schemes three times. As a result, instead of graduating from borrowing from micro-credit to commercial banks - as is expected of these women borrowers when their businesses have grown - these women end up in a micro-credit cycle of borrowing, dropping out only to start over again. Although women from both Tanzania and Bangladesh are poor, micro-credit's assumption that poverty is mainly about income deprivation which can be addressed through access to credit is problematic because it does not take note of local circumstances. Merely copying a model that has worked in one part of the world and replicating it in another without considering and assessing the many underlying issues, such as social and cultural concerns, the nature of the market, both local and international, and the diversity of the population concerned, has revealed the problems with treating a particular form of micro-credit as a universal model. Following the problems with using the Grameen-type model elsewhere, Graham Wright in (Jain and Moore, 2003:1), warns:

'The most dangerous form of 'replication' is that driven by consultants, leaders or donors recommending systems they only partly understand, in environments which they only partly comprehend. With the success of micro finance institutions, the growing international reputation of the Grameen Bank, and the drive to reach large numbers of the poor, there are many alarming examples of this happening' (Wright, 2000:264).

Micro-credit agencies' understanding of poverty as a lack of access to financial resources plays a big role in PRIDE and SELFINA's focus of giving loans primarily for capital and business. This has led micro-credit agencies to focus a lot on the products and services they offer rather than on the products and services their clients want (Daley-Harris, 2002; Mayoux, 2003; Jain and Moore, 2003). This 'inward looking' aspect of micro-credit is flawed because it aims to satisfy organizational and donor demand and not client demand (Islam, 2007; La Torre and Vento, 2006). As micro-credit aims to reduce poverty, it should be noted that poverty reduction is not just about the quantity of clients it has reached or the amount of money it has loaned. Micro-credit institutions need to take stock and transform their services so that, instead of finding clients to match their products and services, they should develop products and services that match the needs and demands of their clients.

Poverty is caused by many factors including lack of skills such as entrepreneurship as well as human capital. Poverty is also reinforced by patriarchal norms that favour men over women in aspects of life such as inheritance. Such discrimination means that women's access to other resources including education, health and financial services is restricted, reinforcing their overall disadvantaged position. Even though the government of Tanzania has ratified a number of national and international conventions such as the Convention on the Elimination of Discrimination Against Women (CEDAW) and the Beijing Platform for Action which discourage discriminating against women, there are certain laws such as the customary law declaration of 1963 which Tanzania adheres to. Customary law dictates do not favour women's entitlement to property and support upon divorce consequently reinforcing their disadvantaged position in regard to poverty reduction.

Access to financial services is often made even more difficult by gender discrimination even though women are seen to be very skilful at saving, are creative entrepreneurs and are consistent in ensuring that earnings go directly to meeting their household's needs. Micro-credit programmes that provide credit alone may be effective in reaching a large number of small producers, however, such programmes cannot significantly reduce poverty (Mayoux, 2003; La Torre and Vento, 2006; Islam, 2007).

Providing only credit for generating self-employment cannot solve the multiple causes of poverty (Islam, 2007; Daley-Harris and Awimbo, 2006). There are those who argue that micro-credit's system of credit delivery and savings mobilization designed to meet the unique financial requirements of self - employed, low-income clients, has changed the lives of the poor (Kessy and Urio, 2006; Fraser and Kazi, 2004; Johnson and Rogaly, 1997). Robinson (2001:9) argues that at a general level, 'micro-credit has assisted low-income households to reduce risks, improve management, raise productivity, obtain higher returns on investments, increase their incomes, and improves the quality of their lives and those of their dependents.' Robinson's arguments need to be treated cautiously as the situation she is describing is not a universal phenomenon. Yet there are studies that have argued that although micro-credit gives women access to economic resources, this has not been sufficient to enable these women to renegotiate gender relations leading to social and political empowerment (Mayoux, 2003). This study argues along similar lines, that the financial services that poor women get from micro-credit institutions have not been sufficient to transform the gender relations within their households.

On the other hand, there have been counter-arguments that have been cautious about the benefits of micro-credit services. Rahman (1999) suggests that women have little control over their loans, which are largely appropriated by men while the women are forced to repay them. Bolton and Rosenthal (2005) suggest that they do not seem to have lifted women out of poverty and businesses tend to remain small and their owners poor. Most of poor women's businesses are home-based, lacking in proper technology and training, which leads poor women to 'reach at best to a low level of equilibrium trap in productivity' (Islam, 2007:11). The conflicting views surrounding micro-credit suggest a need to understand not only how micro-credit works, in terms of what it can do for poor women, but also how it relates to the clients' monetary understanding and practices. It has been argued previously in the study that there exists a divergence between micro-credit agencies and their clients regarding each party's perception of money. This introductory section has shown that micro-credit views money primarily as a tool for economic investment for purposes of poverty reduction, which is also assessed in terms of income. These views contradict those of their clients whose perceptions of both money and poverty have stretched to include socio-cultural as well as economic investment. The next section examines the micro-credit agencies of PRIDE and SELFINA.

4.2 PRIDE - TANZANIA

PRIDE-Tanzania is a company limited by guarantee without share ownership, a type of Non-Governmental Organisation (NGO), founded on the 5th May 1993 under Cap. 212. It began operation under the Central Bank of Tanzania (BOT) in collaboration with the Norwegian Agency for Development Cooperation (NORAD). Between 1993 and 2000, NORAD donated 7.25 million dollars (USD). The Swedish government also gave PRIDE 400,000 USD (PRIDE, 2004). PRIDE-Tanzania, which is a member of PRIDE-Africa, has its head office in Arusha. The management and technical assistance of PRIDE-Tanzania is provided by PRIDE-Africa and PRIDE Management Services Limited (PMSL), which is based in Nairobi, Kenya. PRIDE's mission, according to their annual report and publicity material is to create a sustainable financial and information services network for small and micro-entrepreneurs in order to promote their business growth, enhance their income and create employment (Kessy and Urio, 2006). In the period 1994 to 2002, PRIDE transformed itself into a micro-finance institution, with expanded services such as the introduction of new loan products, although its main services remained the same.

Clients organise themselves into self-selected groups of five members. PRIDE claims this facilitates group solidarity and participatory interaction. It targets both men and women small-scale entrepreneurs in order to increase their incomes and generate employment. PRIDE deals with its male and female clients in the same way. However, they may both be poor, but research has shown that men and women lead quite different lives (Blackden and Bhanu, 1999; Boserup, 1970; Gordon, 1996; Sender and Smith, 1990). For purposes of this study, only women clients of PRIDE-Tanzania were studied. PRIDE, which is primarily urban-based, is the largest micro-credit institution in the country in terms of outreach. According to its June–September 2004 newsletter, PRIDE has 26 branches, with a branch in nearly all the 21 Tanzanian mainland's administrative divisions (the remaining 5 branches are in the islands of Zanzibar and Pemba) where the informal and commercial sectors are active reaching more than 63,000 clients. Since its inception in 1994, it has disbursed 480,000 cumulative loans valued at 71.0 billion Tanzania shillings (£29,583,333) with client savings worth 7.0 billion Tanzania shillings (£2,916,667) as at June 2004 (PRIDE, 2004).

The PRIDE Magomeni[6] assistant branch manager asserted that to be eligible for a PRIDE loan clients have to be above 18 years of age, with a running business and be in a solidarity group of 5 people. Normally these five members of PRIDE constitute what is termed an Enterprise Group (EG). These members include a chairperson, treasurer, secretary and two ordinary members. Ten EGs, that is 50 members of PRIDE, form what is termed a Market Enterprise Committee, (MEC). The MEC meets once a week for repayment purposes. An executive committee comprising ten members, two from each EG, chairs the MEC. Its primary task is to follow up whatever repayment problems arise and build solidarity amongst the group (Kessy and Urio, 2006). During the first four weeks of the pre-loan training, an orientation is conducted where the new EG and MEC group members visit each other's place of business and residence to learn about each other. This is necessary as the EG and MEC serve as the second and third party guarantors respectively. Each member of a solidarity group is guaranteed in such a way that the first guarantor is the client himself or herself, then the five members of her group form the second guarantorship while the remaining 45 members of her MEC form the third guarantor.

An aspiring client must also 'have gone through the four to six weeks training session through which they are expected to have set aside a weekly saving of 1,500 Tanzania shillings (£0.63) for the entire six weeks duration as a Loan Insurance Fund (LIF) against the loan they are to get'. These 9,000 Tanzania shillings (£3.75) will act as LIF for the client and will continue to grow with the weekly payments that a member makes. Upon leaving PRIDE, the LIF is returned to the client as their savings. However, 'in case they had a backlog, and had not completely repaid part of the loan issued to them, then the difference will be subtracted from the LIF before the remaining monies can be handed over to the client'. Clients are advised to make sure they have a saving of 25% of any loan they are taking.

After completing the pre-loan training sessions, these micro-credit clients start to hold weekly meetings in their MEC groups. In these weekly meetings, borrowers meet with credit officers to undertake financial transactions. One PRIDE credit officer states that these transactions include such things as 'submit loan applications including photographs for identification card purposes - PRIDE has very many clients and we have introduced identification cards for MEC members with their specific numbers so as to make sure they do not get confused. At these meetings, we discuss a member who is eligible to get a loan or move up a loan stage and obtain approval. Some clients who have already taken their loans use these sessions to deposit repayment and saving instalments. Some clients also use these sessions to announce their departure to their EG members so that they can find a replacement. So you see these meetings are participatory in nature, its not like we just tell these clients what to do, they too play a part in operational decision making - for instance determining who should get the loan next.' This explanation was given in response to a query I made regarding what goes on in the weekly meetings other than clients making their returns. However, my interviews and observations repeatedly showed that in these meetings clients are exclusively involved, in the practicalities of the loan procedure, and in minimising the costs of transactions and managing loan defaults; they are not significantly participating in either operational or policy decisions.

'All decisions relating to individual loans are guided by standard PRIDE regulations that determine interest rates, repayment patterns and required savings. The central management sets these mainly. These determine how interest rates are calculated on a pre-determined formula that may not necessarily reflect on local participation.[7] Interest rates vary from 22% to 30% depending on the size of the loan. For instance, a loan that is between Tanzania shillings 50,000 – 300,000 the interest rate is 30%, while the interest for a loan that is over 5,000,000 Tanzania shillings is 22%. The interest rates are high due to inflation since the donors give PRIDE funds in foreign currency. As there are high inflation rates in the country, interest is set high in order to enable PRIDE to be pay back the loans and also to be able to rotate the money to other clients sooner,' observed the PRIDE branch manager.

The loans offered were mostly in the form of short-term working capital with very few investment loans of less than one-year maturity. It seems the higher the loan one borrows, the less the interest rate, yet the majority of PRIDE clients take the smaller amounts of money which have high interest. The repayment period for a loan amounting from Tanzania shillings 300,000 (£125) to 1,500,000 (£625) is 25 weeks. For a loan of between Tanzania shillings 1,500,000 – 2,000,000 (£833) the repayment period is 50 weeks. For a loan of Tanzania shillings 2,000,000 – 5,000,000 (£2,084), the repayment is 75 weeks. For a loan that is Tanzania shillings 5,000,000 (£2,084) and above, the repayment period is 100 weeks. Immovable collateral such as land or houses are required for a loan of between 3,000,000 (£1,250) and 5,000,000 (£2,084). Collateral is demanded in these loans because a client could disappear after receiving the loan. The type of collateral to be used depends on the decision of the MEC. For PRIDE, a loan of Tanzania shillings 5,000,000 is the highest that a client/group can get.

A loan of Tanzania shillings 2, 000, 000[8] (£833) and above is included in the premium category. 'A premium loan is a new feature that was introduced by PRIDE in June 2004 as part of the transformations it has made to mark its tenth year anniversary of operations in Tanzania. The premium loan is a radical transformation to the long-standing tradition in PRIDE of group lending. Not only does the premium loan offer a larger sum of money to clients but it also offers a chance for a client to take the loan as an individual should they wish instead of in a solidarity group.' Other new loan features that PRIDE has introduced are the Consumer and Fahari loans which target salaried employees who previously were not included in PRIDE's loan facilities. There are provisions for clients to make repayments monthly instead of weekly.

According to the assistant branch manager, PRIDE have introduced loan facilities for school fee purposes and also to make it possible for a client to be able to withdraw 25% of their LIF should they need it at any period during their membership instead of only having access to it when they leave PRIDE. It is envisaged that PRIDE will have transformed to a fully-fledged micro-finance bank within the next decade. In the meantime, PRIDE's performance is good according to the standards set by the Consultative Group to Assist the Poorest (CGAP) whereby a micro-finance institution's performance is good if it has attained among other things 'a minimum annual repayment rate of 95%, 154 clients per staff member and at least 88.8% operational self-sufficiency. PRIDE has attained a repayment rate of 100% throughout, falling to 99.8% between 2000 and 2003. PRIDE's self sufficiency was low (29.6%) in 1996 and increased to 53% in 1997 to 100% in 2001' (Kessy and Urio, 2006:18).

4.3 SELFINA

SERO Lease and Finance Limited (SELFINA) 'was established as an indigenous organisation to assist women to build a solid economic base for themselves and for their families as, they argue, the only practical way to achieve economic and social emancipation of women' (SELFINA, 2005:6). It is a company limited by guarantee under CAP 212 registered in 2002. Nevertheless, micro-leasing activities started earlier, in 1997 under the parent company. SERO is a group of companies that began with the registration of SERO Enterprise Initiatives Limited in 1992. In 1994, it established the SERO Business Women's Association (SEBA), which aimed to improve women's economic development by training them in entrepreneurship. SEBA and SELFINA are therefore 'sister' companies under the SERO group umbrella. It is governed and directed by a board of directors, which is the highest policy and decision-making organ of the company.

SELFINA, which was formed as part of SERO's restructuring to handle the organisation's financing activities, and keep these separate from its non-financing activities, is funded by the government's Small Enterprise Loan Facility (SELF) which provided it with a loan of 70 million Tanzania shillings, Co-operative Rural Development Bank (CRDB) which offered it a long-term loan of 150 million Tanzania shillings, and the Vice President's office (VP). SELFINA also earns fees for managing the 100,000 Tanzania shillings (£41.7) worth micro-finance portfolio of Austro Project Association, a dairy sector that was under performing. By 2005, 'the overall portfolio of the organisation, which is managed by its credit department, stood at 373.8 million Tanzania shillings involving about 944 women and young people most of whom were on 12-month financing contracts' (SELFINA, 2005:6). SELFINA's stated main objectives include demonstrating that women's indigenous businesses are not only bankable but are also responsible money makers and users. SELFINA further states that it also aims to stimulate and empower women and indigenous business people to actively participate in commerce, thereby positively contributing to their own development and Tanzania's development (Pinder, 2001).

At SELFINA, interviews were conducted with three officials, the managing director and two credit officials. In an interview with the managing director, it was reported that 'SELFINA supports individual women but also has a special programme that supports women's groups with disabilities by giving them small loans,' SELFINA uses micro-leasing to make capital available to individual women and indigenous businesses through loans and bank guarantees. Micro-leasing has been defined as 'a contractual arrangement between two parties allowing one party (the lessee) to use an asset owned by the other (the lesser) in exchange for specified periodic payments. The lessee uses the asset and pays rent to the lessor who legally owns it. This feature of micro-leasing enables borrowers without credit history and collateral to access the use of capital and equipment' (SELFINA, 2005:15).

Leasing is important to SELFINA because 'it brings financial relief to small businesses and because leased assets avoid tying up working capital on fixed assets.' This was the managing director's explanation of why her institution has adapted a slightly different mode of micro-credit than the more common method of lending money used by the majority of credit providing institutions within Tanzania. She further stated that SELFINA encourages micro-leasing because 'it is advantageous to both the lessor and the lessee. The lessor has more security with a lease than with a loan, and the lessee gets use of equipment without tying up scarce financial resources in an asset when they are needed for working capital.' The choice of language used by SELFINA management reflects the exclusive use of business-like language and models to describe how their services work. The use of such language reflects the kind of audience that the management is used to addressing - mainly donors who might be impressed by the professionalism of the financial relief to small businesses. The use of this business model to describe how their services work could also be a reflection of how SELFINA as a micro-credit agency values itself. It sees its position as an organisation that deals with extending financial services to clients who have to repay it in order for them to maintain their business of lending to other clients.

SELFINA offers capital to women's businesses, which are not generally considered commercially creditworthy by formal financial institutions. By supporting these women's businesses by providing equipment on lease or small loans for working capital, SELFINA aims to 'increase efficiency and modernise women's businesses to enable them increase their income' as one SELFINA official stated. To be eligible, 'a prospective client must first of all attend a sensitisation seminar conducted every Monday morning from 9.00am to 10.00am, where prospective clients are introduced to SELFINA activities and procedures. Usually each seminar has a capacity to accommodate 30-40 women, each of whom has to pay 1000 Tanzania shillings (£0.42) registration fee and they are usually full each week.'

SELFINA also conducts weekly Monday classes where prospective clients are taught about two important items, credit and business and HIV/AIDS[9] and business. I attended one session of these Monday classes as they are open to all as long as the participant pays the entrance fee of a thousand Tanzania shillings and the forty people deadline has not been reached. The credit officer stated that 'we teach our clients the importance of paying a loan. We also communicate to them that credit is designed to help women fight poverty by involving themselves in income generating activities and not for purposes of buying cloths or cosmetics. We also communicate the importance of information sharing of our organisation with other women, especially the benefits they have obtained since joining our organisation as we have learnt that poor women need credit to be able to do business as they do not have a larger capital base.' The implication of these comments is that the classes serve to emphasise the importance of the loan procedure as opposed to their clients' businesses. A considerable amount of time and effort is devoted to ensuring that clients understand the importance of repaying the loans they receive. This is because SELFINA needs to maintain its position as an institution that provides financial services to poor women and is able to maintain high levels of repayments to ensure it survives as a business. This need to ensure that its business survives is what leads this micro-credit agency to overlook incorporating specific training for clients' business advancement especially since they know that their clients have low education, operate with low technology and lack business and marketing skills.

It is interesting to note that HIV/AIDS is the only non-business issue they discuss. Although it may seem as if AIDS is a non-business matter, in this case it can be said to be a business oriented decision reached by SELFINA because AIDS-related complications interfere with their major aim of ensuring regular repayments. Even as these talks are aimed at helping women look after their health, they are also influenced by the underlying preoccupation with repayments. All these show that SELFINA is more interested in maintaining its own survival than in helping women reduce their poverty status.

After the Monday seminar, 'prospective clients are required to fill in lease/loan application forms, present a business plan, and draw a map showing their residential location.'[10] Every Friday morning SELFINA members of staff meet to discuss the general progress, the performance of clients in arrears and to recommend new applicants. A credit officer notifies the successful clients whose applications have been considered. After they are approved, 'a client has to bring three guarantors; SELFINA staff will visit the client's business premises and residence to evaluate the business and its potential. If satisfied that the business qualifies for a loan, the client will be required to pay 20% of the value of loan/lease worth as down payment and pay the loan application fee of 10,000 Tanzania shillings (£4.17) for small loans. For bigger loans, the application fee is 2.5% of the loan.'

This helps to share the risk between SELFINA and the client and also shows the client's commitment. Next the client 'is asked to sign the lease agreement form. SELFINA charges a flat interest rate of 30% per annum for its loans, which enables it to use the money for a revolving fund.' The term for repayment is 6, 12 or 18 months. A lease of 100,000 – 500,000 Tanzania shillings (£41.7-£208) has to be repaid within 6 or 12 months, not longer. Clients make repayments on a specific due date each calendar month depending on when the lease agreement was signed. 'Repayments start immediately after one month from the time the lease equipment/loan was issued.' A client's documents are filed in a single file with a reference number for each deal in computerised software, BANKPLUS, which monitors the portfolio.

SELFINA gives credit either in the form of money or equipment. The credit officer stated that 'prospective clients are asked to pay 20% of the loan they are taking as insurance. Equipment given to the clients is usually brand new items such as fridges, photocopy machines, generator, sewing machines, water pump, serving dishes, (for those involved in big food catering businesses involving huge gatherings like in weddings and parties) plastic tables and chairs.' Although they offer both money and equipment, preference is given to leasing of items. This is because 'equipments have long-term benefit to poor women. Once repayment is completed, these items become their personal property; as such it offers a more visible reward than money, whose reward is not so obvious given the nature of poor women's utilization of money' declared the credit officer. Clients are advised that it is imperative to take only the loan amount they can pay back. Women are discouraged from involving themselves in mobile businesses which involve moving from one place to another. It is believed that a mobile business is not suitable for women[11] as was stated by a credit officer: 'it is better to have a small stationary kiosk where a client can be found rather than a business which involves moving about buying and selling stuff. Businesses that involve moving around/travelling do not suit women.' Although for health and safety reasons stationary businesses may be good for women, overall such advice prevents them from taking up opportunities that may be more profitable for them, considering that most of them are concentrated in businesses within gender-stereotyped activities that have low yield. This example shows how micro-credit agencies put their interests ahead of their clients.

Establishing women in stationary businesses is better for SELFINA in terms of managing repayments. They want their clients where they can monitor them to ensure constant repayments while disregarding the client's need to seek beneficial alternatives. Discouraging women from mobile occupations could signal micro-credit's need to keep women in 'their place'- the privacy of their homes. By remaining in the private sphere, these women maintain the status quo which checks against the disruption of the social fabric of the household through the absence of its manager and carer. It could be that SELFINA does not want to deal with the consequences of the challenges within their client's family and household structure, since the patriarchal nature under which most of these women live may not accept these changes without resistance. Besides, most of their clients have been guaranteed by their husbands or close family members. Women's absence through mobile trades could lead to disapproval from the people who support their clients, while SELFINA clearly stated that it is doing a business and has to ensure that it protects and expands its business. It could thus be said that SELFINA is looking after its client's practical gender interests as opposed to their strategic gender needs.

4.4 CRITIQUE OF PRIDE AND SELFINA AGENCIES

This section aims to look at some of the outstanding bureaucratic issues that both agencies deal with in terms of the processes they go through to maintain their businesses and their clients. PRIDE and SELFINA operate under the Financial Act of 1991, of the Bank of Tanzania. They have to adhere to regulations that determine the way they operate, both within Tanzania and as part of the wider global micro-credit scheme, where issues such as micro-finance best practice and financial self sustainability are promoted. These agencies receive financial assistance from various government, Non Governmental Organisations and international development agencies. The funding is 'generally conditional on the fulfilment, or at least the prioritisation of financial sustainability criteria specified by bilateral donors' (Mayoux 2002:22). The success of the financial reforms was expected to generate a dynamic process of other substantial changes throughout the country's activities of production, exchange and finance (Wangwe, 2004).

Both schemes claim to be receptive to all sorts of women, as reiterated by SELFINA's managing director: 'we welcome women from all walks of life as long as they have a strong commitment and uphold strong principles of self-reliance. The majority of women who seek credit from us are poor with businesses that are too small to sustain them.' They both offer credit to poor women with specific qualities deemed necessary to qualify for these small loans: they have to be self-employed adults, with businesses that make regular profit to ensure repayment, and have attended the pre-loan training sessions. In short, they should be women with small-scale entrepreneurial skills aiming to improve their economic situation. They are addressing an important need for poor and low income women, as they would not otherwise qualify to get credit from formal financial institutions since they do not have traditional collateral, and their businesses are not regarded as creditworthy. This could show that they understand poor women's need for financial assistance as has been demonstrated by Rutherford (2000): the poor do need larger sums of money from time to time for various reasons. It could also show their business responsiveness - by realising the need for their services among poor women and rising to the challenge in order to make maximum gain. Moreover both institutions are primarily urban based, as it is in urban centres that most small-scale entrepreneurs and small businesses are based, as will be seen in Chapter Five.

Clients are required to write a good business plan before they can qualify for a loan/lease. When they fail to meet this requirement, mainly because they have never written good business plans, they are denied the chance of the lease/loan that they need. To an extent, this requirement discriminates against worthy clients who fail, not because they do not have the ability to utilise the loan/lease efficiently, but because they cannot write up well-executed business plans. They are not really helped with the writing of the business plans, although they are told the formal categories that it should contain. These details should contain the business's value, the profit margin, what it deals in and where it is located, including a map showing directions of how to get there. This may be advantageous to women with more education or who know people who can help them write up good business plans.

While it could be argued that all these prospective clients need in this case is more education on how to write good business plans, writing a good business plan cannot automatically transform these women's way of understanding money to that of micro-credit agencies. Although they may write business plans in accordance with SELFINA's formal understanding of money, in practice making the leap to this formal categorization is not realistic given poor women's understanding and use of money, as will be shown in Chapter Six. Learning formal business planning approaches could potentially cause these women to do worse in their businesses because these approaches do not reflect their reality and understanding of money.

Another requirement for prospective clients as emphasised by SELFINA officials is to 'be able to produce names of three referees who are ready to guarantee them in case of a problem or even pay their loan for them. We prefer the first referee of a married woman to be her husband. If unmarried we prefer a close relative who is formally employed. This referee should bring a passport size photograph, salary slip and a letter from the administrative local government official of their area of residence as proof of address. The second referee should be either a relative or close friend. They should bring a passport photograph and letter from employer. The third referee should be a former/existing client of SELFINA who informed you about us since we do not advertise ourselves in the newspapers.' While this is a precaution to ascertain that their equipment or loan is paid back, it goes against poor women's monetary practices within the household. The interviews revealed that spouses do not share information concerning money; women and men keep their money separately and do not share information on the amounts of money each spouse makes. Clearly, asking these women to use their husbands as referee is going against household practices and how most marriage relationships work. This proposition has the potential threat of damaging these poor women more than it benefits them and their businesses.

Conversely, women generally do not like their spouses to know exactly how much money they have. If this is a forbidden topic for discussion within the confines of the matrimonial home, one wonders how willing women will be to disclose this information with micro-credit schemes. Moreover, it begs the question just how much of their clients' circumstances micro-credit institutions take into consideration when formulating their requirements for inclusion or exclusion. The spouse may not be formally employed but may be involved in the informal sector himself. Does this then disqualify a potential client who has met the other requirements? SELFINA is of the view that as long as a referee has a solid business whose turnover can guarantee their prospective client, they are willing to accept them. This kind of prospective client assessment could potentially discourage women from joining simply because they do not fit in properly with the requirements. It could mean that they are treated unfavourably due to the financial circumstances of their spouses.

One SELFINA client recalled her bitter experience of asking help from her prosperous formally employed relative. She claimed that 'it was difficult to get help from him because he thought that being poor, all I wanted was to ask for money. When I finally explained my need, it became even more difficult to get his help, as he was not prepared to guarantee the loan on my behalf. I finally got help from a friend.' Formally employed relatives are not keen to help because they are scared of the financial implications. If their relative were to fail to make repayments, they would be forced to use their hard-earned salary instead, hence complicating their own financial circumstances. This is a risky situation for people who depend solely on their salaries for a living, particularly if they have only modest savings.

Although both institutions give some form of training to prospective clients, these sessions familiarise clients with loan/lease procedures rather than small-business skills. The training sessions dwell more on loan repayment procedures and the consequences of late or none repayment than they do on teaching women the business skills that they obviously need. Instead, they reveal what is expected of clients in terms of the plan for repayments and how much to borrow, how interest is charged, and the penalties for late payments or non-payment. According to one PRIDE credit officer, during the four to six weeks training sessions, aspiring clients 'are taught for one hour each day on the training procedures of credit, how it works, how interest is charged, why it is important for members to attend weekly meetings, what happens in case of an accident or death and, importantly, they are motivated to start putting aside a weekly saving of 1,500 Tanzania shillings each week for the entire six weeks as a loan insurance fund.'

The descriptions these credit officers offers give reveal that their clients are not taught small-business skills improvement as such. While these training sessions have their positive aspects, such as explaining in detail the loan/lease procedures so the women know what is expected of them, they also have negative aspects in that they are mostly non-participatory: they are geared towards telling the women what to do. However, this could indicate that since most of the credit officers themselves are not experts in small business, they are not in a position to teach these women any such skills (Kessy and Urio, 2006). These credit officers' explanations show clearly that their agencies are mostly interested in the repayments they get from their clients.

Above all, women often need money for more than simply business investment. These are issues not addressed in the training sessions. Instead poor women whose money needs and issues transcend investment for business purposes are told not to 'misuse the funds they get' from these institutions by 'investing it in things that are not economically productive such as clothing and cosmetics'. Such comments show that credit officials either trivialise poor women's money concerns or they are out of touch with these women's realities. In reality these women differ in terms of age, religion, ethnicity, wealth, education, literacy, marital status, social status, experience and socio-economic position. They also differ in terms of their motivation to start and develop businesses. It follows then that they have different needs that cause them to seek out these agencies. These differences, according to Koda (1995), are responsible for a considerable variation in the nature, scope and magnitude of women's monetary practices and entrepreneurial activities.

Inflexible loan processes that are not client friendly and do not cater for different needs of their clients could result in misunderstanding, friction and even mutual lying. Prospective clients could lie to micro-credit agencies about their business potential in order to obtain loans, and women could lie to their spouses about their business worth to keep them from discovering how much money they have. Potentially this rigid loan process could lead to missed opportunities, especially among prospective clients who do not fit neatly into these pre-designed categories but who have potential to be good clients. Also women could potentially miss out because of cumbersome loan procedures.

Appreciating the need to train and educate their clients, SELFINA created SEBA, its training, education and extension services component. It was formed in the conviction that economic emancipation of women can only be practically achieved by being innovative, enterprising and by engaging in business (SELFINA, 2005). According to SELFINA's director and founder, 'SEBA trains women about life skills, especially creating awareness of HIV/AIDS, economic empowerment and business. It conducts sensitisation training of all prospective clients mainly in business skills at different levels, legal skills, (we ask lawyers to come and give talks/seminars) and life skills (health in general, malaria and breast cancer and HIV/AIDS) and gender concerns – we balance business and gender awareness. We also offer seminars on business expansion and diversification whenever we get sponsors to help us foot the bill of the event. We try to have at least one or two such seminars every year.' This might indicate a commitment towards improving their clients' circumstances. Even though they are making strides in creating health and legal awareness among their clients, micro-credit agencies seem to be missing out on the crucial need that their clients have - training/education on specific business and marketing skills. These women stand to benefit more from specific business skills training.

SELFINA recognized the need to have more client participation and have 'set up a forum where clients are encouraged to drop in at the office premises for a focus group discussion session. In these group discussions clients are encouraged to share business information amongst them and also make suggestions on improving SELFINA.' According to its managing director, some of the valuable suggestions that have come out of these sessions including 'translating the lease contracts into Swahili, introduction of sensitisation seminar, information on HIV/AIDS and health concerns in general as well as life skills.' That is, creating a balance between business and gender concerns has proved an important issue to the clients and hence SELFINA responded by offering seminars on these issues. Where they do not have the relevant expertise, for instance on legal matters, they have had to seek expertise from legal firms like the Tanzania Women's Law Association (TAWLA). Due to the nature of their activities, women do fall prey of local authority harassment. Women need to be furnished with proper information regarding their rights and what is permissible within the law. Often women get into trouble because of their ignorance of the law, or their ignorance is used to take advantage of them. This is an issue that needs to be addressed in training sessions. While these are an outcome of dialogue with their clients, it is also an indication that poor women have more concerns than simply the lack of money. If they can express these concerns in a micro-credit seminar that is basically about money issues, it also suggests that they tie money issues closely to other concerns in their lives.

They do not see money issues in isolation from other concerns but rather as part and parcel of improving their lives in general. Moreover, their request to have the lease contracts translated into Swahili not only indicates a language barrier but also a knowledge barrier. Having the contracts written in a language that their clients do not understand well shows a gap in understanding their clients' reality. Most of these women have a low level of education and hardly ever use English language for either communication or literacy. In fact some hardly understand it at all, as the primary school education that they had does not teach the language. It is only rarely used in secondary schools and not at all in poor people's social gatherings. Asking women from such a background to write detailed, well-executed business plans on a competitive level or even sign a legally binding contract written in a foreign language expresses a lack of understanding of their clients' education reality.

Such a scenario reveals not only the class divide between poor women and the micro-credit schemes that serve them, but also a class and gender divide between them and the educated elite women who comprise the micro-credit officials. These micro-credit officials are oblivious of poor women's class issues (see Falola and Salm, 2005; Kevane, 2004). They fail to comprehend the significance of the language divide between themselves and their clients since their class interests overrule their gender interests. This causes them to speak a different language that is not sensitive to poor women's language and way of life to a point of appearing arrogant. They talk of teaching poor women life skills which are meant to help them cope with everyday life challenges. This assumption about their clients need for life skills development overlooks these women's reality and the challenges they face and overcome within the city of Dar es salaam. Employing the same experience they use to overcome everyday challenges, these women asked for a translation of the contracts. They requested these to be rewritten in Swahili for them to understand the contents before they could sign them.

Although collateral is not a determining criterion for getting a loan/lease, both institutions insist on the security against their loan/lease. For PRIDE, it is in the form of the Loan Insurance Fund (LIF), which a client saves up both before they get the loan, and throughout their involvement with the institution. SELFINA asks clients for a 20% deposit of the loan/lease as security. PRIDE is of the view that LIF offers women the chance to save money in a safe environment away from the house, where the likelihood of the saved money being used up for non-business expenses such as school fees, medical expenses, funeral rites, and entertaining guests is overwhelming. One client was concerned that 'this amount of money was tied down and does not earn interest', implying a wasteful way of using hard-earned money, quite the opposite of how it could potentially have been used to improve the living conditions in the household inferred by micro-credit.

The main difference between these two micro-credit institutions is that PRIDE uses a modified Grameen Bank model of group lending to give credit to its clients. Their groups of five members are made up of two ordinary members, a secretary and a treasurer, and finally a chair. The two ordinary members get their loans first. When they finish repaying it four weeks later, the secretary and treasurer follow. Another four weeks later, the chairperson becomes the last member of the group to get their loan. Moreover, repayment of these loans takes place the week after they are disbursed. When a client fails to make the weekly repayments, it is the group of five members (EG) [Executive Group] who is held responsible for the payment as the first guarantors of the member. If they too are unable to make the payment, then the whole group of fifty members (MEC) [Market Enterprise Committee] becomes responsible and has to pay. This is because PRIDE usually has a total sum of money that they expect to collect from the specific MECs every day. When this total sum is not collected because a member is absent and has not sent their repayment, then it becomes the responsibility of the client's EG to come up with the extra payment in order to reach the sum total needed for collection on that particular day. When they fail to come up with the difference, then the MEC becomes responsible and have to come up with the difference between them. This is the reason why MEC members sometimes remain behind after their session until such time that they can raise the money for the absent members. This system creates inconveniences for clients who mostly have other matters to attend to but cannot because they have been held up due to somebody else's absence.

SELFINA uses the individual lending model whereby each woman is given a loan/lease individually. After undergoing the sensitisation seminar, and fulfilling all the requirements mentioned above, a client is required to obtain a pro-forma invoice from the supplier before the purchase of the equipment is approved. A 30-day grace period is allowed before repayments can be made. In the case of delayed repayment, a client is fined 1,000 Tanzania shillings over and above the agreed repayment each month. The 30-day grace period was requested by the clients since previously they had had to begin repayments immediately. They requested it because, as one client stated, 'equipment usually goes together with buying other smaller items. For example for a sewing machine, you have to buy different kinds of fabric and threads. The grace period offers a chance to buy these items without which one cannot start to make money.' It could be argued that this statement reflects the clever way that poor women have learnt of changing the meaning of money to suit their purposes. This money is not meant to be starting capital; these women should have established businesses which the loans aim to boost. Here, clients have used micro-credit agency understanding of the use of money to their advantage. The implication is that this investment capital will be injected into the business, and will take time to work and make a profit before they can begin repayments.

PRIDE has a larger client base offering credit to both men and women although women make up the majority of their clients. SELFINA has a smaller, women-only client base. Leasing finance is their main product with loans only being made available to long-standing clients. A SELFINA official claimed that their clients like their system because 'it offers the freedom to obtain a lease that can match one's individual capacity and ability to pay'. PRIDE's initial loan amount is 50,000 Tanzania shillings. During the interviews some PRIDE clients commented that the sum of 50,000 Tanzania shillings is not enough to make much difference to their businesses. However they have to take it because it is the initial loan provided, and they cannot get bigger loans unless they have taken and repaid smaller loans. One client mentioned that 'it is an inconvenience but one has to take it as a stepping stone towards one's desired amount in the end'. Normally, clients graduate from lower to higher stages of loan size. It was stated that 'this is done to motivate the clients to have a good repayment behaviour in order to move up to a higher loan size'. While this amount was substantial back in 1994 when PRIDE started its operations, ten years on it needs to be reviewed to take into account the changes within the Tanzanian social and economic situation. There has been inflation in the country and the standard of living has changed since then.

This system suggests that what the micro-credit agencies, like PRIDE, are most interested in is the regulation of repayments, hence its success as a micro-credit agency within the NGO world. This could account for the way it has operated during the ten-year period of its establishment in Tanzania. Any change to the operating system has been geared towards making sure that clients maintain high repayment levels, which it has often used as a mark of its success, with little attention to clients or indeed the reduction of their poverty levels.

This section has been a critique of the way PRIDE and SELFINA micro-credit agencies work. It has shown although they may have different ways of doing things, the underlying motive has mostly been similar. Their main difference lies in the form of credit delivery, with PRIDE using group solidarity to disburse loans while SELFINA uses an individual approach giving both loans and lease of equipment to its clients. However, their central concern is maintaining high repayment rates which will enable them to thrive and grow as micro-credit businesses within the NGO world. Having looked at the two institutions, now let us turn our attention to a client's experience of dealing with micro-credit agencies in Tanzania.

4.5 CASE STUDY – DIGNA: A CLIENT'S EXPERIENCE WITH MICRO-CREDIT AGENCIES

Having examined some of the main features of micro-credit in general, this case study offers a personal experience of some of the issues discussed in the section above. The following is Digna's experience of some micro-credit institutions in Dar es Salaam.

'I first joined Foundation for International Community Assistance (FINCA) following the Local Government initiative. The local government people passed in our neighbourhood encouraging people to join, declaring many benefits of joining. I rounded up a group of friends and together we joined. I took several rounds of credit to about 300,000 Tanzania shillings (£125), but unfortunately my shop was destroyed in a fire accident following an electrical fault. Back then we had other kinds of insurance, for example accidents, or death of spouse, child or own death. In case of a fire like in my situation, I was required to pay the entire loan, I was not pardoned. There was no insurance against fire by then. During the training at the beginning of the session, the credit officers always reminded us of the importance of involving our husbands in our businesses. This paid off in my case because it was my husband who played a big role in paying back the debt after my shop got burnt. Once I finished clearing the debt, I quit taking loans from FINCA because as you will probably hear, their interest is rather high. For example, if one takes a loan of 200,000 Tanzania shillings (£83), the return is 255,000 Tanzania shillings (£106), whereby the 55,000 Tanzania shillings (£23) is the interest; this amount excludes personal savings which could amount to anything as long as it is more than a thousand shillings. Actually it does not matter much whether you put aside your savings or not, they are more interested in their returns.'

Digna went on to add that, 'although FINCA claims their credit helps poor people, their mode of payment of four months actually squeezes the poor person. For example, if one takes a 200,000 Tanzania shillings loan (£83), one needs to return 15,500 Tanzania shillings (£6.50) and personal savings of 1,000 per week (£0.42), this is a lot of money for a poor person with a small business. Whereas when I joined Akiba Commercial Bank (ACB), it was the client herself that chose the mode of payment that best suited her and her type of business. There are options to pay in 3, 4, 6, 9 or 12 months. Their interest rate is 2%. Actually, in the beginning their motto was 'weka moja kopa nne' that is, if a client saves 10,000 Tanzania shillings (£4.17), this is multiplied by four to make a loan of 40,000 Tanzania shillings (£16) that a client can take. This was applicable to those of us who started at the beginning, right now things have changed whereby 'the loan is made against the amount of savings put aside' because 40,000 Tanzania shillings is a very insignificant amount of money to make a reliable difference in many businesses these days.'

'I personally took 40,000 Tanzania shillings (£16) and chose to return it within 4 months and ended up paying 46,000, Tanzania shillings (£19) although I must admit I took less than 4 months to return the money. One can also opt to return it within a period of 12 months or less. This for us poor women is helpful, compared to other places, say FINCA for instance, who do not have flexible repayment schedules.'

On discussing the qualifications for obtaining a loan with ACB, Digna stated that, 'it is clearly stated that one needs to have a running business that gives them at least 1,000 Tanzania shillings a day to qualify for a loan. Yet, some people get loans even when they have no running business, others have a job and pay using their salaries. And when it comes to verification of their business, they will let it be known to the person concerned that instead of a running business, they have a job. Anyway what matters at the end of the day is whether a client attends the weekly meetings and how good their returns are. This is what counts in determining if I get another loan or not - if my record of these two crucial things is good then I need not worry. Anyway, I left ACB when I needed money to move house, and now I have joined PRIDE because the branch is near my new home, I simply walk there. To maintain my membership with ACB would mean taking two commuter buses known as 'daladalas' to and from the branch I was in and this is very expensive now that the cost of transport has gone up. I am now returning a 200,000 Tanzania shillings loan (£83). '

Digna went on to analyse the three micro-credit schemes she has been with by stating that 'I like ACB best of the three micro-credit schemes because it offers some flexibility. For instance, it is possible to choose the time within which to make returns, it is not enforced on you, everyone just chooses the time frame that suits them and their business. Also you get more money from the start as one gets a loan against the savings they have put in. If you save a large amount of money, there is a guarantee of getting a bigger loan compared to PRIDE, where everyone has to start at 50,000 Tanzania shillings, and gradually get more money each time you clear the older loan. Besides 50,000 Tanzania shillings is a very insignificant amount of money these days, it cannot make much difference to a business, yet everyone has to start there. The interest rate is bigger with PRIDE but at least these days one can borrow some money from their Loan Insurance Fund (LIF) without having to quit first. I did not have a good experience with FINCA, the end was particularly bitter.'

Digna, like many poor women in this study, takes up the opportunity to join micro-credit schemes believing that they will help them reduce their poverty and improve their standard of living. Digna has been one such believer, for she has been a member of one micro-credit scheme or another throughout, taking only short breaks between them, either because she has become accomplished in using them or because she is still searching for the most appropriate one that will meet her needs and help her improve her living standards. She observes that micro-credit schemes only care about two things, namely the repayments and weekly attendance at meetings. Once a client can sort these two issues out, they are well on their way to getting more and more loans. Although micro-credit agencies have used these two issues as indicators of client and agency success in reducing poverty and becoming empowered, this has not often been the case.

On a related note, some micro-credit institutions claim to want to help poor women get to the point where they graduate and start getting loans from formal financial institutions such as commercial banks. Yet how do they address the phenomenon whereby women borrow to a certain point and quit only to start all over again with the same micro-credit scheme or a different one? While this may suggest these women's preferences for these services, it could also imply that the schemes have not laid the groundwork for their clients to graduate into taking loans from formal financial institutions. At the same time, there remains the question of which pattern (continuous use of micro-credit or graduation to formal banking) is desirable for either agencies or clients.

This case also highlights that although micro-credit agencies claim to be there for poor women, it seems that it is these women who have to adapt to fit in with the various micro-credit models. That is, instead of micro-credit schemes changing and adapting to fit into their clients' needs, it is the clients that have to change to fit in with the set demands of micro-credit. This is seen from the way Digna had to adapt to the different demands of each of the micro-credit institutions she has joined. Moreover, the services that are provided sometimes fall short of a client's needs, for instance when there was no provision for insurance against fire. When an unfortunate circumstance befalls these clients of micro-credit, they are left more vulnerable than they were before. This can be observed from Digna's situation whereby she had to rely on her husband's salary to help her repay the debt. This situation has a potential for causing a strain in poor women's households, considering that most spouses do not share information about money. A woman may expect her husband to help her make the repayments at a time when he is not in a position to do so, or at a time when there are other important life events needing large sums of money. Either way, this situation is not helpful to the poor woman whose main priority in joining the micro-credit scheme was to reduce her poverty status and improve her standard of living.

Micro-credit seemed to have worked in collaboration with local government at the beginning of its operations in Dar es Salaam, probably because the local government had local knowledge of where potential clients could be found. The local administration was used as an authority not only to encourage prospective clients but also to screen them. If micro-credit worked once in close collaboration with the local government, it implies the possibility that it could do so again. Micro-credit could use local government to help clients involved in the informal sector to improve their understanding of issues like licensing, and harassment by local government guards. This reluctance to call upon outside help for their clients could imply that micro-credit agencies are mainly interested in achieving what is best for them as institutions. Mayoux (2003) argues that micro-credit separates itself from other interventions in order to maintain separate accounts. This way it keeps the costs of running the institution low and maximises benefits from the loans. The micro-credit agencies' system of operating could potentially place women in danger of becoming even more dependent on men when disaster strikes rather than offering them the chance to be economically independent. In such circumstances, these women will become even more in the power of their spouses if their spouses are to reciprocate with financial assistance to repay the loans. Instead of empowering poor women, these loans risk creating a situation that makes them even more dependent on men, or at the very least requires us to have a detailed knowledge of the social relations that mediate their effects in order to know how they may affect women's lives. Having looked at one client's experience of micro-credit, let us now turn to look closely at how the two micro-credit institutions perceive what a business should be and the importance of loan repayments.

4.6 MICRO-CREDIT'S VIEWS ON BUSINESS AND LOAN REPAYMENT

This section analyses the micro-credit agencies' characterization of a good business. It also looks at the importance of repaying the loans given to deserving businesses. Micro-credit agencies like PRIDE and SELFINA aim to reduce poverty among their clients by offering them credit to invest in their businesses. Yet, the definition of who constitutes the poor is contested among these micro-credit institutions.[12] PRIDE aims to create a sustainable financial and information services network for small and micro-entrepreneurs with the aims of promoting their incomes, growth of their businesses and generating growth of employment among the poor (PRIDE, 2004). To achieve this, it targets poor but economically active women with businesses worth less than 700,000 Tanzania shillings (Fraser and Kazi, 2004). Yet the views of micro-credit agencies on poverty are very different from the views of their clients, as is discussed in more detail in Chapter Five. Clearly, micro-credit agencies regard poverty in monetary terms. This can be seen in the way they use a monetary value to identify who is poor. Moreover, money has also been used as a mark against which clients' businesses are measured. Any small business below the 700,000 Tanzania shillings mark can receive financial support from them. Micro-credit agencies are of the view that to reduce their poverty status, women with small businesses need to access credit which will give them money to invest in their businesses. Here, money is seen as the missing link between poverty and prosperity. Such a move is expected to influence change in other sectors, such as trade and production, as well leading to business expansion and poverty reduction.

These micro-credit agencies see credit provision as the only practical way of helping their clients. PRIDE and SELFINA officials claim that, by using credit, they assist women to a build solid economic base for themselves and their families as the only practical way of achieving economic and social emancipation. They see poverty largely in terms of lack of money. One credit official stated that 'poor women need credit to prosper in business'. Since poor women have little chance of having access to money without assistance, micro-credit agencies have taken up the challenge of providing financial access to these women with the aim of assisting them to obtain money for poverty reduction. At the same time, this is a business decision that enables micro-credit agencies to remain in the financial business because their clients ensure high repayment rates of the small loans involved.

Consequently, SELFINA indicate that they accept all women's businesses as long as they are small scale and demonstrate qualities of self-support. PRIDE operates along more or less similar lines. They welcome any woman with a business and who becomes part of a solidarity group of five members. Even though these credit-providing agencies appear welcoming to any woman with an established business, a warning was sounded by one SELFINA official who said that 'unless a client is serious, they have no place at SELFINA. If their business is not well established, they had better not take a loan with us until such a time when things are better.' These credit officers' explanation offer only vague interpretations of what these agencies regard as a business, let alone a well established one. While any income generating activity may loosely qualify as a business, only a certain type is regarded as serious and well established enough to receive financial backing. Fraser and Kazi (2004) reveal that due to the nature of their loan/lease procedure, SELFINA ends up serving mainly those women who are least poor, leaving out other categories of poor women's businesses. These small-scale activities that poor women undertake, that ensure them a regular flow of money, happen to be serious businesses for these women, whether the micro-credit agencies recognise it or not.

Micro-credit agencies characterise a client's business as good if it can ensure timely repayments. According to micro-credit agencies, such a business can be identified through a client's credit history. A client that has a good credit history and makes their repayments in time is regarded as a good client with an equally good business that is seen as prosperous and hence should receive a loan or credit. The agencies show that they are mainly concerned with the repayments they get from their clients more than they are with improving the quality of their clients' businesses, Because the business that they regard serious is one that enables a client to maintain their repayment, which is then regarded as a good business because it fulfils the primary condition that is of interest to micro-credit agencies - getting their repayments.

A good business is also characterized as one that can adapt to the changes in the market. This is what PRIDE as a micro-credit agency and also as a business seems to have done in 2004. It introduced new changes to its loan products and repayment process as a reflection of its business decision motivated by concerns about the market and competition from other credit providing institutions rather than as a response to clients' needs as such. PRIDE, like most micro-credit institutions operating in Tanzania, is facing stiff competition from other micro-credit institutions and high client drop-out rates. To try to prevent other micro-credit organisations from taking its clients, PRIDE introduced changes in its loan structure that aim to attract more clients which will ensure it maintains high repayment rates as its number one priority. This was commented on by one PRIDE credit officer who stated that, since its establishment in 1994, PRIDE only made changes to the way credit is administered in 2004 to dissuade existing clients from leaving and to encourage new clients to join their institution. Here, PRIDE has shown that it is a business that is willing to adapt to changes to meet the agency's goal of high repayment rates which will then make it a financially self-sustaining micro-credit agency. While these changes could provide better services to its clients, they were introduced primarily in response to the competition for clients and the need to maintain high repayment rates rather than as a direct response to client concerns.

This could raise concerns that PRIDE is moving away from being mainly an organisation that caters for poor but economically active women who need access to financial resources to boost their businesses, to an organisation that caters for anyone, including the formally employed and other members of the general public who are in a position to repay their loans. If this is why it is transforming its services, it is a worrying development for its poor clients, who are likely to become completely alienated. As they may not have other forms of funding, since they do not have qualifications which allow them to access formal commercial sources, these women may end up worse off than they were before they became involved with the micro-credit agencies.

Another characteristic of a good business is one that can update itself from time to time 'so as to avoid becoming outdated hence unmarketable', states a SELFINA official. The problem is that they generally employ old skills and technology because they cannot afford to modernise. Many poor women's businesses use time-consuming technology to produce goods and services that therefore fetch low returns. These women are expected to update their skills and technology on their own in the absence of opportunities for skills training and apprenticeships. They are overwhelmed by their traditional and domestic chores, like food preparation, cleaning and child care responsibilities which are time consuming. These women, who hardly use any labour-saving tools to ease their domestic burden of household responsibilities, are expected to update their businesses from time to time in order to avoid becoming outdated. This not only implies how removed from their clients' reality these micro-credit agencies are, but it also shows their preoccupation with repayments. They are willing to consider every possible means to ensure that their repayments remain intact. Women live in highly patriarchal societies where men make most of the major decisions. In some cases the decision as to what business to undertake has to come from a husband, father or male relative, or at least have his blessing. In such cases women can hardly be expected to be able to diversify their income generating activity let alone keep up with the market's pace. Advice that is given to women needs to be sensitive about these issues which may not be of major concern to micro-credit officials, but it is advice that influences the outcome of the money that they invested in these women's businesses.

Micro-credit agencies employ tight regulations on their loans in order to maintain high repayments and to be financially sustainable. This can be seen from credit officers' comments like 'clients are taught the importance of paying a loan no matter what circumstances may arise'. This, she said, is mainly 'because sometimes there are problems with repayments. When this happens, we have to wait before we can give more women loans when the demand for credit is overwhelming.' SELFINA needs the repayments to use in the revolving fund from which new clients get their loan/lease and also for making repayments for loans that it has taken from banks. One SELFINA official commented that 'delaying or failing to make the scheduled payment is a problem for SELFINA because we will not be in a position to help other women who need and deserve to be helped. We will not be able to repay our debt from the banks and this is a bad thing for the organisation. Such a client not only runs the risk of being charged extra interest for late payment, (1,000 Tanzania shillings), but also that of their property being confiscated. Taking a money loan/lease is more or less equivalent to selling us your personal property.' She went on to claim that in the worst-case scenario, 'because our contracts are legally binding, we may be forced to take to court a client who refuses to pay us.' These are strategies to ensure that the agency survives.

Where PRIDE is concerned, the solidarity group lending mechanism makes it the obligation of the group members to track down defaulters. The clients themselves do the job of chasing after clients who forfeit their contract and fail to pay up. Group members are left to use whatever means necessary to get the defaulter to pay up. This may include confiscating a defaulter's property and assets, which are to be sold off to recover the money. This is a harsh thing to happen to poor women who do not have a lot in the way of assets or possessions in the first place. Already, traditional practices, inheritance practices and economic purchasing power have acted against their ability to acquire assets. When the little that they have is taken away from them, they end up poorer than they were before they joined micro-credit schemes. This fear of having their few possessions taken away in the event that the business does not work out, has acted as a real deterrent to some women in small-scale business. They have failed to join credit schemes due to this fear.[13] Moreover; this strategy can sour their social relationships with colleagues since these women learn about credit schemes through these social relations. These relations are very important to poor women's survival over and beyond the credit schemes. And it is these people who eventually go on to form a solidarity group for purposes of getting credit. This system causes tensions and can damage poor women's social relations as discussed in Chapter Seven.

CONCLUSION

This chapter has reviewed the micro-credit institutions of PRIDE and SELFINA in Tanzania, looking at how they relate to their women clients in Dar es Salaam. It has shown that these micro-credit institutions give importance to money metric measures in assessing who their clients should be, as well as the type of business ventures to fund. Monetary measures are also used to determine the success of these businesses along with their clients' ability to reduce poverty. Micro-credit agencies have also been shown to put a lot of emphasis on the loan procedure, repayment and credit history of clients as a measure for client success both in business ventures and poverty reduction. The pre-loan training sessions that they conduct dwell on loan repayment procedures and the consequences of defaulting more than they do on equipping the women with business skills that are crucial for the improvement of their business ventures. Poor women do not share micro-credit's view that credit history is a reflection of improved business status. Micro-credit agencies regard a good credit history as a reflection of improved business and poverty reduction. These micro-credit institutions largely neglect to address issues of gender relations in the household or market and the impact these may have on the money that is lent to their clients.

Micro-credit institutions in Tanzania face a bumpy future. The prospects of becoming commercialised promises financial sustainability, since these institutions have mostly been donor funded. However, the open market economy means that other credit providing institutions are welcome in Tanzania. This has posed a threat to institutions such as PRIDE, which enjoyed a market monopoly for some time. It is this stiff competition from other institutions and the high client dropout rate that forced it to change some of its principle ways of functioning. Whereas the fluid nature of the informal sector may/may not bring new clients to credit providing institutions, they are already tapping into the formal sector for clients in order to stay ahead of the game. This diversion from 'poor but economically active women' to anyone who may need credit may create difficulties for poor clients while posing a dilemma for credit providing institutions. If the basis for determining whether a client's inclusion remains their credit history, those formally employed clients may have more attractive records compared to poor women in the informal sector. This then creates anxiety among these poor women who may potentially be excluded from these schemes.

Micro-credit aims to transform poor women's lives while other areas of social-economic development such as the infrastructure, appropriate technology, and the legal structure remained largely unchanged and not coordinated to micro-credit activities. These areas affect issues of production, exchange and advancement just as much as the lack of financial resources does. Therefore even though women have access to credit, they continue to operate under the same structures that do not promote their advancement or enable them to enjoy the fruits of their economic endeavours.

NOTES:

1. Under socialism, money was mainly equated with capitalism. This is why people who had money had had to be cleansed via nationalisation of their property such as houses, money and businesses, including industries. During this period having money was equivalent to being a capitalist and hence an enemy and threat to socialism. For a detailed discussion see (Mbelle, Mjema and Kilindo, 2002).

2. Tanzania is predominantly an agricultural society with over 80% of its population living in the rural areas and dependent on subsistence farming. The tendency to move from agriculture to small-scale trading without addressing the underlying socio-economic structures raises concerns for the overall attainment of the goal of poverty reduction.

3. Prior to the reforms, there existed some form of micro-credit schemes in Tanzania under the poverty lending approach, such as the Small-scale Industries Development Organisation (SIDO) formed in 1973 to assist village cooperatives establish viable enterprises for village consumption and handicrafts for a wider market. The government and/or donor community heavily subsidized these credits. However, micro-credit under the poverty lending approach became unpopular as it was not sustainable and made the poor more dependant on subsidies while getting more into debts that they could not eventually repay. (For a detailed discussion on the poverty lending approach see Robinson, 2001, vol.1).

4. Both PRIDE and SELFINA refer to their institutions as micro-finance institutions. In this study, I have preferred to term them as micro-credit institutions due to the nature of the main services that they offer. These two NGOs mainly offer credit, leases and savings services. They do not offer the wider range of services provided by micro-finance institutions, such as insurance. Reference to them as micro-credit institutions is thus made based on the basic services that provide the majority of their clients.

5. According to the Bank of Tanzania's *Tanzania Micro Finance Institutions Directory* of 2005, Tanzania has a total of 1899 micro-finance institutions. There are 1813 in the mainland and 86 in the Islands of Zanzibar and Pemba.

6. PRIDE Magomeni branch is one of three branches that the organisation has in Dar es Salaam. The others are in Temeke and Kariakoo. Magomeni branch is the most highly accessible as it is situated in an area with good transport connections from all parts of the city.

7. For example, for the initial loan from PRIDE that is Tanzania shillings 50,000, the formula used to calculate interest and the amount of returns to be made each week for the initial loan is: for a loan of Tanzania shillings 50,000 x 30% x 25/50= 7,500 (interest). Where 50,000 +7,500 = 57,000 (this is the total amount to be paid by the client at the end of the loan period). However, the breakdown for each week's returns is Tanzania shillings 2000 (principle loan) + 300 (interest) = Tanzania shillings 2,300 +1,500 (LIF) which makes a total return of Tanzania shillings 3,800 per week.

8. The current exchange rate is: 1 USD is equivalent to 1,259 Tanzania shillings. £1 is equivalent to 2,433 Tanzania shillings. A loan of 50,000 Tanzania shillings will be equivalent to $39.71 or £20.55, and a loan of 100,000 Tanzania shillings is $79.42 or £41.11.

9. HIV/AIDS is a major health concern in Tanzania's urban areas where the majority of those affected are the young, especially women of childbearing age. Few micro-credit agencies have taken up the issue as seriously as SELFINA. They mentioned that it was not their original idea but rather a response to the clients' wishes, as HIV/AIDS affects their lives, businesses and income.

10. Clients are required to draw a map showing their residential locations due to the absence of street and house numbers in Dar es Salaam and most of the country. These drawings are meant to help identify their residence and business for when the credit officer pays them a visit to verify their business. Most of these poor women live in unplanned, slum and squatter settlements where identification of a location is not easy, until a lot of detail is put forward, hence the drawings.

11. I feel this is a discrepancy; they are biased against mobile business not because they do not suit women, but rather because once contained it is easier to be located and accounted for (See Rahman, 1999 for an extensive discussion why micro-credit schemes prefer women clients.)

12. Micro-credit institutions have used various methods of identifying their target group 'the poor'. Some have identified the poor through geographical targeting, asset ownership, quality of housing/roofing material, literacy rates and their living status. (See Simanowitz, 2002 Chapter 1 for detailed discussion).

13. During my fieldwork, I met and talked to two different groups of women. The first comprised of five members who were involved in small-scale urban farming and selling vegetables and the second group of four members weremarket traders. These total of nine women knew of most micro-credit institutions and how they worked, especially PRIDE. However, none were members of any micro-credit institution and they were reluctant to join for fear of losing much more when things go wrong. The farmers were sceptical due to the nature of their business which depended on the weather, the hand hoe and fertilisers and unreliable market prices. A drought would mean they would be put out of business and lose their meagre possessions. This was heightened by the fact that their farming was done on Government land that could be reclaimed at any time, leaving them with no income generating activity.

CHAPTER FIVE

URBAN ENVIRONMENT, INFORMAL SECTOR AND WOMEN'S BUSINESSES

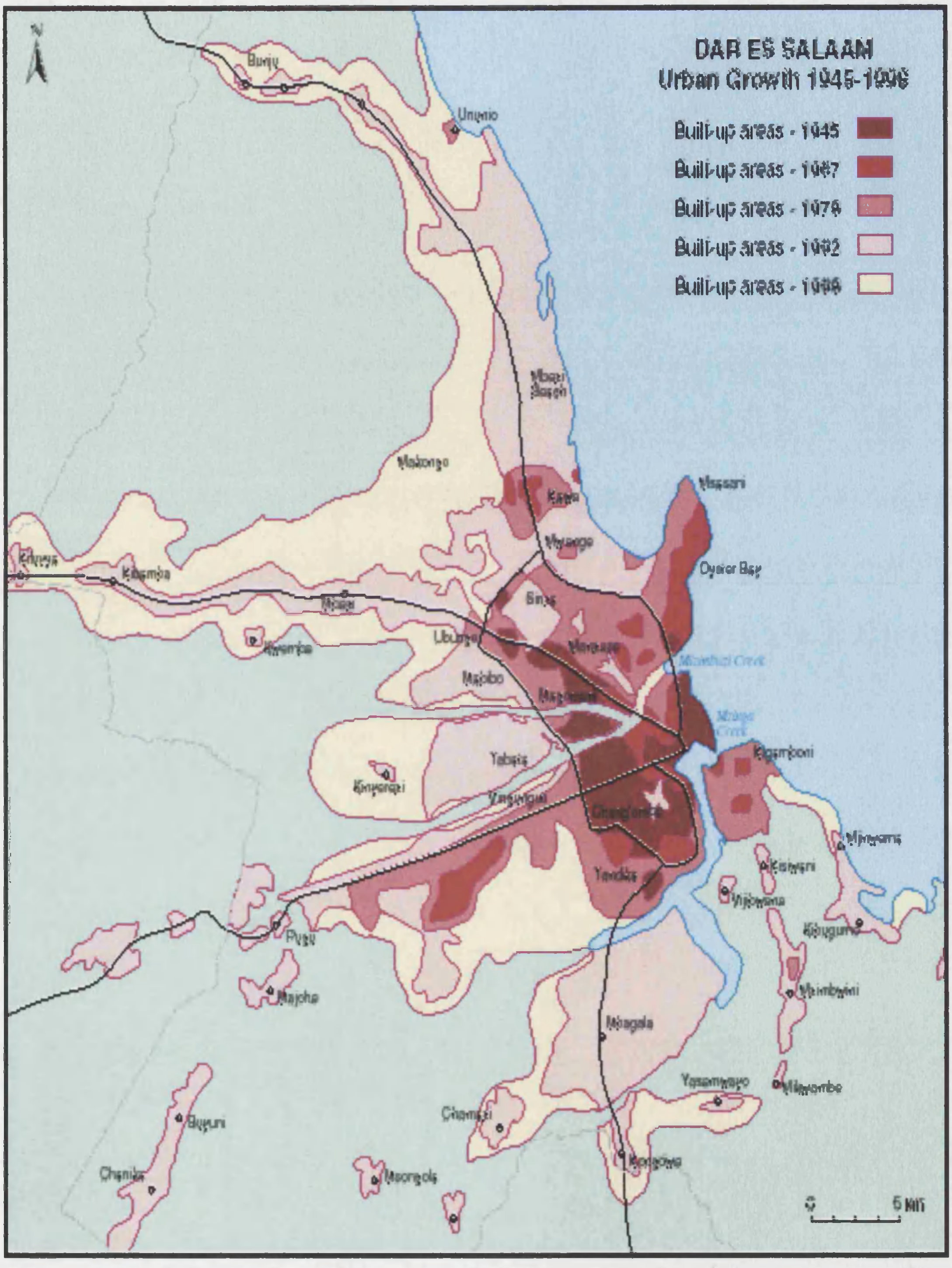
5.0 INTRODUCTION

Dar es Salaam was selected as a focus for this study because of its unique position within Tanzania's history and development. The 'haven of peace' has wrongly been perceived by the poor as 'the place to live', where money and a better life are accessible. Moreover, most studies assessing poverty in Tanzania have tended to focus on rural poverty[1] (see Narayan, 1997; Bagachwa, 1994; Vyas and Bhargava, 1999). Urban poverty has been given less attention probably because of the general assumption that urban residents are more privileged than their rural counterparts (Kaijage and Tibaijuka, 1996). The last two decades have seen growing attention to urban poverty due to the high rates of rural-urban migration, a serious stagnation in the labour market and accompanying rises in unemployment, in the informal sector, in urban female-headed households and in high crime rates (Mtani, 2000; Tripp, 1997b; Geiger, 1997).

Where urban poverty has been studied, attention has primarily centred on the squalid housing conditions of the slums (see Lugala, 1995; Mahanga, 2002). No studies have considered how money is perceived by poor urban women involved in the informal sector, or the role that money and credit play in micro-credit's goal of reducing their poverty. This chapter aims to show how the poor urban women I interviewed experience and understand their poverty, and how they have turned to informal sector income generating activities to improve their standard of living. Fraser and Kazi (2004) argue that micro-credit assists poor women by reducing their poverty levels. They do not question monetary concerns and accept the same economic understanding of money as the micro-credit agencies. Rutashobya (1998) and Chijoriga (2000) raise concerns about the impact that micro-credit agencies have on women's entrepreneurship and poverty reduction.

The chapter is organised in five main sections. It begins with a brief historical overview of Dar es Salaam, followed by a discussion of the specific nature of poverty as perceived and experienced by clients of micro-credit agencies in Dar es Salaam: Mama Hairati's case study has been used as an example to highlight the dilemmas faced by some of the poor women I interviewed. The third section looks at informal sector activities in Dar es Salaam, while the fourth section highlights some of the problems these women experience in their participation in informal businesses, illustrated by the case study of Manka. The final section shows the implications of women's informal businesses and attitudes towards money and micro-credit.

Figure 5.1 MAP OF DAR ES SALAAM



Source: www.darhortwire.com

5.1 BRIEF HISTORICAL OVERVIEW OF DAR ES SALAAM

This section looks at the history of Dar es Salaam in order to provide a context for understanding poverty in Tanzania. This history reveals how the physical structuring (see map above) of the city has taken place along racial lines, and these also show how poverty is distributed. Within this environment, both new immigrants and older residents similarly chase their 'dream of a better life' through involvement in informal businesses as a survival mechanism. Let us begin by looking at the historical development of the city.

The Zanzibar sultan Seyyid Majid founded Dar es Salaam, which literary means the 'haven of peace', in the early 1860s. Originally it was a Zaramo[2] fishing village known as Mzizima (meaning 'healthy town'). In 1887, under German colonial rule the German East Africa Company made Dar es Salaam the administrative and commercial centre. Dar es Salaam continued to play this role when the British took over from the Germans after the First World War. The city was first planned by the British colonial power and was divided into four zones. The African zone ('Uswahilini') was identified on the fringes of the commercial centre at Kariakoo.[3] The Europeans occupied the low density areas ('Uzunguni') of Oyster Bay (north of the city) while the Asians occupied the middle density areas ('Uhindini') surrounding the commercial centre. After political independence, the Tanzanian government inherited and kept the same residential pattern. Today wealthy Africans, ex-patriots, embassies and their personnel and development officials are clustered in the area north of the city centre. The majority of Africans settle in high density areas, west of the city, which is devoid of basic infrastructure.

Historically, most people came to Dar es Salaam in pursuit of employment during the colonial era (Bryceson, 1993; Kaijage and Tibaijuka, 1996; Schalge, 2002). They mostly performed manual and service work and used the cash income obtained to pay the taxes imposed on them by the colonial officials and to buy necessities such as food, clothes and kerosene. They were required to have permits allowing them to live in the city. From the early 1970s to the present, people have moved to Dar es Salaam for a number of reasons, including to search for better prospects, employment and education. The large influx of rural to urban migrants prompted the government to introduce measures to restrict further movement. In 1985 the government introduced a development levy, which functioned rather like the work permit of the colonial era. This situation made it difficult for large numbers of women to migrate to Dar es Salaam. Women had to pay the development levy otherwise they would be harassed and rounded up by the city guards, ['mgambo'] in Kiswahili and accused to be loiterers and prostitutes. To avoid this, women had to prove that they were married hence provided their marriage certificates, or some other form of identification. This was not easy for these women since most did not have formal education and could use their certificates, or formal employment with identification. To avoid this nuisance some women stayed within the confines of their houses.

Women's migration patterns differed from that of men (Geiger, 1997). Women were often unable to migrate or were strongly discouraged from migrating, as life in town was considered inappropriate for them. This is because the city was considered a place where the traditions and customs that governed women's roles could not be properly adhered to. The city was therefore considered to be a bad influence for women (Leslie, 1963; Bryceson, 1993; Geiger, 1997). Moreover, women were characterised as a liability.[4] Most women migrated to the city to accompany their husbands, parents or other relatives (Kaijage and Tibaijuka, 1996). Apart from marital reasons, women moved to town after being widowed, divorced, or deserted by husbands. Some women migrated to the city for the sole purpose of seeking employment. Most of them opted for domestic work. Yet whether in pursuit of work or not, women needed to have ties to relatives or friends in the city. This is mainly because they could not afford independent accommodation, as most of them did not have the necessary resources to pay rent or adequate education to qualify for other types of work. Women's access to legal housing and employment were often tied to men [husbands and fathers] both during the colonial and post-independence policies. For example women were required to produce a valid marriage certificate in order to live in or be transferred to Dar es Salaam. If they were unable to provide the necessary documentation, women could be detained as prostitutes, loiterers or undesirables and returned to the rural areas or fined. Such regulations pushed many women to the unregulated squatter settlements and informal sector work.

After independence in 1961, Dar es Salaam became the capital city of Tanganyika. Later, in October 1973 the government decided to relocate the capital to Dodoma, a more centrally located city. However, Dar es Salaam still serves as the de facto capital and major commercial centre. Currently, Dar es Salaam is a fast growing city with a simultaneously congested centre and a rapidly expanding periphery (see map). Dar es Salaam is made up of three districts of Ilala, Kinondoni and Temeke. Each district is further subdivided into wards (Tawi), branches (Kata), and ten cell or housing units. The government introduced this system of administration to enable it to function, as most areas of the city are unplanned. According to the 2002 population and housing census, Dar es Salaam is the largest city[5] in Tanzania with an estimated population of 2,500,000 people, increasing at a rate of 4.3 percent per annum.

This census also reveals that the number of women in Dar es Salaam has grown to more or less equal that of men, although women were generally latecomers to the city. Most of these women live in unplanned squatter settlements popularly referred to as 'Uswahilini'. These settlements have 'no maps or road systems laid out on a grid with clear names. There are no house numbers. It is a maze of alleys, dirt roads and pathways. Places are identified by local landmarks (the mango tree, near the bearded man's shop) or personal social ties (the neighbour of the woman who sells soup on the corner). The majority of Dar es Salaam's poor residents live here in crowded, noisy and dirty unplanned settlements on the fringes of the city' (Schalge, 2002:104). We now turn a more detailed exploration of women's poverty status in Dar es Salaam.

5.2 SPECIFIC NATURE OF WOMEN'S POVERTY IN DAR ES SALAAM

This section illustrates how the women I interviewed perceive and experience poverty in Dar es Salaam. These women demonstrate considerable resilience and imagination in coping with urban poverty. They often utilise their time and labour to the full to earn an income that helps to maintain their families at or just above subsistence level. The distinguishing characteristics of poverty seem to be location specific with regional differences, but they also reflect the everyday reality and personal or psychological experiences. Most of the women I interviewed were highly conscious of their background in the poor rural areas as well as their present deprived conditions in the city. Poverty is a highly contested concept even among the so-called poor women themselves. Different women in Dar es Salaam think about poverty in different ways. Among the women I interviewed, there were those who viewed poverty in terms of lack of material possessions and income, such as lack of a house (owned as opposed to rented), a farm or plot of land and money. Although these women were concerned with income poverty, they did not necessarily view it in terms of a poverty line or living on under one-dollar-a-day.

The income approach to defining poverty dominated development thinking during the 1970s/1980s and part of the 1990s. Income poverty was defined as 'the lack of a minimally acceptable adequate income or expenditure' while the 'one-dollar-a-day' method of identifying the poor categorised those who cannot earn or spend at least USD 1 per day as poor (Mbelle, Mjema and Kilindo, 2002:13). With progress into research on poverty issues, the traditional approach of identifying poverty purely in terms of income has been criticised as narrow in scope, excluding other equally important aspects of poverty such as human development. In the second half of the 1990s, the drawbacks of income as an indicator of poverty prompted new definitions and indicators. There is now a consensus that poverty is multidimensional and that it encompasses a range of different dimensions of deprivation (Narayan, 1997; World Bank, 2001). This more inclusive definition of poverty is necessary if the poor are to be understood from their own point of view.

The poor women that I interviewed viewed poverty in a broader 'non-material' perspective which is more in line with multi-dimensional definitions used to describe poverty. Some of the descriptions they use include the inability to plan for a sustainable future, powerlessness and a general feeling of insecurity. They also describe their poverty in terms of the inability to offer their children a better life in terms of good and adequate schooling, clothing, diet, safe living conditions (crime-free environment, safe water, affordable health services and free from humiliation) or prospects of a brighter and more prosperous future. Non-income poverty does not ignore income as an issue; rather it highlights other aspects of poverty as having equal importance. These women emphasised the quality of the life they lead rather than consumption and expenditure patterns. As a multidimensional concept, poverty's definition has been broadened 'to extend from low levels of health and lack of education to other non-material dimensions of well being including gender gaps, insecurity, powerlessness and social exclusion. Indeed the human dimensions of poverty are endless. Poverty graphically translates into hunger, stunted growth in children, squalid slums, emaciated refugees, destitute beggars, needless deaths, crime and conflict' (Mbelle, Mjema and Kilindo, 2002:14). In addition Chant (2007a:31) observes that 'poverty is increasingly acknowledged as encompassing factors pertaining to social deprivation such as self-esteem, respect, and power'.

To understand women's experiences of poverty in Dar es Salaam, we focus on one case study: Mama Hairati. Her story is a reflection of the multi-dimensional ways that some of the women I interviewed used to describe their experience of poverty. Her experience of poverty is about stress, insecurity and vulnerability, issues that are broader than simply the lack of income and material assets. This happens to be the way most of the women I interviewed talked about their experiences, rather than as simply lacking income or money. Mama Hairati equates her life to that of someone who is 'capsized at sea and is tightly clutching on a branch to take them to the safety of dry land'.

A number of the poor women I interviewed can be compared with Mama Hairati's case, describing their poverty in terms of stress, insecurity and vulnerability. For instance some of these women were very stressed about their children's future, particularly because they had not equipped them well enough to deal with the harsh realities of surviving in the city as far as employment or self-employment is concerned. Yet they felt helpless because they had limited resources with which to prepare their children. Most of these women suffered income poverty but this did not always appear to be their number one poverty concern, or at least they did not present it that way. They described their poverty in a more complex manner than only as lack of money.

5.2.1 **CASE STUDY: MAMA HAIRATI**

Mama Hairati is an energetic single mother between 35 and 40 years of age. She has three children by different fathers: a girl who is in secondary school and two boys in primary school. She lives in the Mabibo squatter area in a two-roomed rented house sharing the rest of the house with other tenants.

> 'The bathroom facilities are shared amongst all tenants. I share my bedroom with my daughter, and it also doubles as a store for my merchandise and a tailoring mart, for when I need to make small repairs and amendments to the second hand clothes I buy in order to resell. The second room is my sons' bedroom, but also doubles as a sitting room-cum-kitchen. It is where we cook the family's meals. Sometimes when I have visitors from upcountry, they sleep in this room too. The house has no running water. We buy water from a dealer a few metres from our house, and carry it on our heads to the house. A 20-litre bucket of water costs 20 Tanzania shillings, and on average I buy five buckets, which amounts to 100 shillings every day. On days when I do the family's laundry, I buy up to five buckets more, depending on the wash load. This house has electric

power which is often disconnected because some tenants do not pay the bill on time.'

I first met Mama Hairati at the SELFINA offices where she had come to make her repayments and her vivacious nature could not be ignored. She relates how this characteristic has been a bonus in her line of work. She sells second hand clothing and shoes. While the money she makes from her business enables her to get by, it is hardly enough to cater for all the needs of her household. In the city 'everything costs money' she laments. 'I am constantly searching for money. I work hard, I barely sleep, yet every cent I make is not enough to solve my problems.' Her two younger brothers stay with her occasionally, especially when the police mount crackdowns for illegal brewers. One of her brothers is now in jail for theft while the second brother is on the run from the authorities for running over and killing someone in a road accident. He was driving the vehicle without a licence.

Her mother and two brothers live in a rented house a few metres away. Her mother sells illegal brew ('gongo') and is constantly in trouble with the authorities. She admits that she is not proud of her mother's work but 'I can hardly ask her to stop, I cannot provide for her. Besides, she helps me out sometimes when I get stuck.' As the head of her household, Mama Hairati struggles to make sure her household is provided for. This situation is constantly gnawing at the back of her mind and is what prompts her to depict her life the way she does. She takes her role as mother and household head seriously, as she says, 'their fathers offer no financial or emotional support and my brothers and sisters cannot be counted on much, so I have to keep on struggling'. It saddens her that she cannot bring her children up in a better environment, away from all the crime, violence and humiliation that they are exposed to at an early age. She perceives her life in general as poor but not defeated. However, she has 'hope that my business and my children's education will one day facilitate a way out of this quagmire'. She did not have the privilege of an education, but she hopes that educating her children will improve their future prospects.

The above case demonstrates the multidimensional nature of the experience of poverty. It is experienced physically and psychologically by some of the women I interviewed and is part of their daily reality of urban survival. Poverty is expressed in terms of the frustrations and inadequacies facing them and their families as they try to improve their overwhelmingly deprived, insecure and stressful living conditions, rather than in monetary terms. Even though the lack of income is implicit in some of the issues discussed, such as the ability to pay for their children's education, it was not singled out as the most important concern that these women had to deal with. The lack or shortage of income was seen as a poverty concern, but not necessarily the most important one, as micro-credit agencies tend to believe. Mama Hairati's example shows the multidimensional way in which poverty is experienced by some poor women in Dar es Salaam. It shows the interrelated way in which lack of a safe, crime-free living environment has a bearing on the future potential for crime, insecurity and employment potentials for her children. All these occur in an environment where there is deprivation of income but also of other necessary resources such as running water, electricity and adequate shelter. Interestingly, the women I interviewed did not describe their poverty in terms of income, expenditure, living below a dollar a day or the poverty line, even though the lack of money was part of their everyday experience of living in Dar es Salaam. This was summed up by Mama Hairati when she stated 'there is no quality of life, if you do not have money in the city'.

This case study also identifies some of the issues that the poor women I interviewed consider important, like family relations. Social relations appear to be strongly appreciated and valued. In this example, Mama Hairati had to carry the extra baggage of her adult brothers and sister, on top of the pressures of caring for her own children. She had to bail her mother and brothers out every time they were remanded in custody for the illegal brew they sell. Clearly social relations are very important to the poor women, such that micro-credit agencies' insistence on credit being invested in economic activities only misses out an important part of the reality of their clients' poverty.

Micro-credit agencies assume that women should invest all the money they borrow in their income generating activities and they institute regulatory policies to ensure that they give their money to those clients who will invest economically. These agencies believe that only those clients who invest economically will make a profit which will raise them out of poverty. This is difficult since poverty is much more than simply the lack of income, consequently its solution has to be multidimensional as well. Micro-credit agencies have undoubtedly done a commendable job in giving poor women access to financial services. However, giving only money to Mama Hairati will not solve her problems of insecurity, illiteracy or the other social and psychological issues she has to grapple with on a daily basis. This in turn makes micro-credit's money-only approach to tackling women's poverty an unrealistic response to the situation. Social relations do play a substantial role in how the money is utilised. In Mama Hairati's case the money that she made from her business was used to care for her children, their education, and also to assist her mother and siblings every so often. Consequently a poor woman's individual social status should be a central consideration instead of assuming that all poor women form a homogeneous category with similar circumstances.

Mama Hairati's case also highlights the amount of time poor women spend performing manual domestic chores, and consequently the difficulty of separating domestic from income generating activity. In her case she spends much time ferrying water from the dealers to her home. Sometimes there are long queues, causing her to take even longer. This is a time consuming and tedious exercise that she does on a regular basis. She recounted how sometimes she uses her charm to ask the dealer to fill her buckets for her in her absence and she returns to collect them later, so as to save time. Even the laundry is done by hand and this takes up a lot of time, as she has to wash each item of clothing separately. She cannot get much work done during the night because it is dark, so she has to plan her day in such a way that she gets the most work done when it is daylight. Even basic necessities have a cost that is simply beyond money. During the night she uses a kerosene lamp, which is not an ideal light by which her children study or do their homework. Besides, it raises the heat in the room making sleep uncomfortable in Dar es Salaam temperatures, so she prefers not to have it burning for long. Still, she manages to make time for her household, her business and attend meetings and make repayments at her micro-credit agency.

Even though a number of the poor women I interviewed identified with aspects of poverty as described in Mama Hairati's case, some did not. There are women in Dar es Salaam who do not consider themselves 'poor' despite fitting the characteristics used to identify the poor.[6] In contrast to Mama Hairati, Agnes, did not think she was poor because she considered poverty as a permanent physical disability. This small-scale trader asserted that she is not poor because 'to me a poor person is one who has a disability [no hands/ legs/eyes]. Such a person is compelled to beg for help because they cannot do everything for themselves.' The disabled are not given opportunities such as an education, skills or an environment which will enable them to be independent. They are mostly locked away from society and are sometimes even regarded as cursed individuals. Agnes feels that as long as she is physically and mentally sound, she is fortunate and blessed and will struggle to make a decent living. Agnes is not alone in her perception of poverty as a physical disability. In her study conducted in Tanzania, Narayan (1997) reveals that physical disability was commonly associated with the very poor. 'The physically disabled were considered a burden whose survival depended on gifts and kindness of community members, both kin and non-kin' (Narayan, 1997:12).

Agnes bases her argument on her physical state and the inherent potential to work and possibly maintain an active social network. Only a minority of the women I interviewed understood poverty this way. This is an interesting yet narrow way of looking at poverty as a whole because a human being's physical state could change at any time. Tanzania has no welfare system and has some high levels of domestic violence (Mtani, 2000). Many of the poor women I interviewed, including Agnes, do not have any kind of insurance in case of an accident that may leave them incapacitated or cater for health complications should any arise. Should she fall sick today, that would be the beginning of the end for her informal business. Moreover if one of her immediate family members were to fall sick and require constant attention, this would also take a toll on her business, as she would have to devote time to nurse the sick relative, thereby jeopardising her business venture along with the right to continue borrowing from the micro-credit agency. Although she prefers to describe her situation differently from Mama Hairati, she is still vulnerable with few resources to fall back on in times of trouble.

Many poor women like Agnes do not have fixed assets, which are extremely important to women in patriarchal societies. Some of the women I interviewed claimed to have meagre savings from their income generating activities. These savings cannot be counted upon as long-term solutions or even old age security because they do not last long. With no safety nets to protect them these women usually quickly fall deeper into poverty. It may take a long period of time for such a woman to bounce back, if at all. If such a woman happens to be disabled, the chances are that they will have few social relations or social contacts, making it much more difficult for them to recover when disaster strikes. During hard times most of those I interviewed turned to relatives, neighbours or friends for help. These women rely on a limited social network of people who are also poor leading Hart (2001:242) to assert that if 'money is an index of our relations with society; it measures to a degree, the viability of our social connection'. There is saying that if you want to know how rich a person is, look at the number of people claiming to be related to them.

The converse is also the case, whereby the poorer the person, the fewer relations they will have. Even the social networks that they rely on will be limited, with little chance of helping to change the poor woman's circumstances. This is because a poor person who has neither the means of earning an income nor a dynamic social network to fall back on in the absence of social welfare is regarded in some ways as a personal disaster. As Hart, above observes, when a person is faced with such a circumstance 'more is at stake than just earning a living. We have to redefine our whole relationship to society almost on a daily basis' (Hart, 2001:242). This lack of safety nets to cater for the poor begs for other solutions to poverty not yet utilised. Integrating the community to devise community-based institutional care, especially in the urban areas, would be a starting point.

Among the poor women I interviewed, there were others who had different views of their experiences of poverty from either Mama Hairati or Agnes. These women were neither of the view that they were poor nor well off, making them 'just average persons' (mtu wa kawaida). A few women categorised their lives as being ordinary or average. However upon probing, their circumstances turned out not to be so ordinary when compared to their fellow poor women I had interviewed. These 'ordinary' women were in a position to maintain various income generating activities, offer financial and societal support to their neighbours and community at large and own some sort of property. All these qualities make them more than just 'average women'. Narayan (1997) also found that the term average or ordinary person was used to describe a person of average wealth.

These women were concealing their actual financial status for a reason. They are living in environments of rampant deprivation. To stand out as different from the majority would have implications. Initially being categorised as the other or different would not be in their best interest, as they would be socially segregated or overburdened with requests for assistance. They would then not be in a position to assist or support others in need because they would become impoverished themselves. Masking their potential wealth is a clever means ('Ujanja') used by smart women to get by in Dar es Salaam as will be discussed in detail in Chapter Seven. These women live in the squatter areas with other poor women, integrating with them in all social activities. I suppose these women have accurately judged their living situation. They have average means of living with no extremes. They only seem to stand out from their fellow women whose lives are more extremely distressed. Most women fitting this category of average persons are members of more than one single micro-credit agency, and seem to be conducting their income generating activities with much more ease. Fraser and Kazi (2004) observed that the majority of micro-credit clients belonged to what they termed the middle strata poor, just like these women.

This section has looked at the specific nature of women's poverty as described by some of the women I interviewed in Dar es Salaam. It has highlighted, through Mama Hairati's case study, the life of a female-head of household, responsible for more than the welfare of her children and extended family, and the social, psychological and multidimensional way in which such a person experiences poverty. It has also pointed out some other, differing views of poverty. Some women saw poverty as physical disability, whereas others did not identify themselves as poor but rather as average persons. By identifying poverty mainly in economic terms micro-credit agencies are failing to understand the multidimensional experience of poverty. Likewise, promoting money only as the answer to poverty reduction overlooks some important concerns, especially the social and psychological issues that their clients deal with on a daily basis. Micro-credit agencies need to listen to their clients so as to come up with more holistic responses to poverty reduction. Having looked at how the poor women I interviewed experience and characterise their poverty situation, the next section looks at what they do in order to improve this situation - through engaging with income generating activities within the informal sector.

5.3 INFORMAL SECTOR ACTIVITIES

The section above has shown how poverty is experienced by some of the poor women I interviewed. It has argued that poverty is a multidimensional phenomenon. Yet, micro-credit agencies prefer to address the issue of poverty reduction for these women and their families by giving them access to credit to be injected in their income generating activities. Most of these women's income generating activity is disproportionately concentrated within the informal sector (see Chant, 2007a; Tripp, 1997a; Schultz, 1995; Lugala, 1995). This section looks at the informal sector in Dar es Salaam where most of the poor women I interviewed spend their time earning a living. It will look at the features associated with informal sector activities, as well as some of the activities that the women are engaged in.

The informal sector or informal economy is a concept developed by Keith Hart in the 1970s, referring 'to the mass of economic transactions that take place beyond effective state regulation' (Hart 2001:98). He argues that the informal economy rose in response to the structural imbalances created during the process of urbanization in Africa's transition from social democracy to neo-liberalism following the failure of post-colonial development models. These development models caused migrants to flock into the cities where neither services nor employment could sustain them. The number of jobs created by the government was relatively small as most did not have the qualifications for formal jobs. Rather than remain as the 'urban unemployed', these immigrants involved themselves in 'informal' income opportunities that had low returns. In other words, 'what became known as the "informal sector or economy" was what people really do for themselves beyond the reach of state regulation; and as such it constituted the negation of the central bureaucracy erected to manage national capitalism' (Hart, 2007).

This vast economic area that reaches beyond the formal economic sector has been given a number of names, among them the black market, second economy, parallel economy and even the hidden sector (Tripp, 1989). The informal sector in most African cities has also been characterized as involving 'those traders and service workers from whom the state receives no revenue, who are tolerated during times of prosperity and harassed and restricted when the economy is depressed' (Sommers, 2001: 89). Other important features of the informal sector, particularly for women, include; 'no paid holiday, maternity leave, pension or social security benefits' (Brydon and Chant, 1989:165). Moreover, informal sector activities have been further sub-divided into 'informal legal' activities such as small-scale commerce and personal services, and 'informal illegal' activities comprising activities such as petty theft, prostitution and illegal brewing of alcohol (Hart, 2001).

While the informal economy has gained considerable attention in recent years due to the rapid growth of activities associated with it both in the urban and rural settings, it remains the case that it is still perceived as negative. According to Hart (2007), 'it describes what they are not, that is, not subject to the rule of law, not rationalised long the lines of corporate capitalism. The concept says nothing about the positive dynamics of these activities or about the social forms that organise them, lumping together street hawkers and criminal gangs, urban commerce engages with the forces of the world economy'.[7] He further contends that the sphere of economic activities within the informal sector has expanded significantly with the reduction of the state's economic presence, both in Africa and globally, to the point where its scope is now so wide that 'the usefulness of the concept is questionable'. He now thinks of the informal economy 'as the rise of the market in the new African cities'. Although the term points to the ambiguous relationship of this commerce to state regulations, it does not help us to understand how the activities it groups together might constitute a platform for more sustained economic growth in the future. For the purposes of this study, the term informal sector will refer to the original meaning, as consisting of economic activities that are unregistered and exist outside state regulation.

The expanding informal sector activities in Tanzania have been described as 'survival strategies from an earlier era now boosted by the availability of incentive goods and fuelled by new income flows generated by a poorly understood mixture of factors including illegal natural resource exports and the restoration of foreign aid' (Wuyts, 2001: 2). It may be that not much has changed in the informal sector since the early 1980s. There has not been a remarkable improvement in the technology used; most people, especially the poor women I interviewed, still operate with low technology which is not only time consuming but has low yields. Nor has there not been much improvement in terms of the skills of the operators, and the types of businesses have continued to be more or less the same.

Dar es Salaam has often teasingly been referred to as the 'haven of hawkers' with good reason. Hawkers are literally found everywhere in this city.[8] Biermann and Moshi (1997:135) assert that informal sector activities in Tanzania are 'legal survival activities operating out of rules and regulations of the government'. The survival aspect of the informal sector is reflected by the dominance of the sole ownership of activities. Most of the women I interviewed had sole projects. Tripp (1989) observes that by 1988 almost 90 percent of household income was from informal activities. In the mid 1980s hawkers were mainly young males. Nowadays women have joined the ranks and can be spotted in various parts of the city selling a variety of items. These women are involved in what can be termed traditional female activities, which are seen as an extension of their gender roles. These include the preparation and selling of food, vegetables and fruits, selling second hand clothes, running hair and beauty salons, selling charcoal and batik clothes, to mention a few examples (see Tripp, 1997a; Omari, 1991; Mukangara and Koda, 1997). These anti-poverty, income-generating activities tend to entrench women further in small-scale traditionally feminine projects, reinforcing oppressive gender relations.

Informal sector activities in Dar es Salaam have expanded rapidly not only without government support, but despite frequent government harassment. By the late 1980s women who were self-employed in the informal sector were required to produce their marriage licences as proof that they were not engaged in prostitution or illegal economic activities (Lugalla, 1995; Tripp, 1997b). Street vending is the most common income generating activity among poor women. As noted above, they mainly prepare and sell foodstuffs such as fried fish, buns, soup, bread, groundnuts, eggs, roasted/boiled maize on the cob, roasted cassava, rice cakes, rice and stew, and fruits. Sometimes they sell clothing items like wrap around, wax ('kitenge'), lingerie and shoes. Recently women have even begun to sell cosmetics, traditional ornaments and traditional medicines. On the streets of Dar es Salaam a wide range of goods and services may be found at negotiable prices. These activities provide the women with an income that they use either to supplement their spouse's wages or are their sole means of earning a living.

A number of the women I interviewed claimed they had control of the major decisions regarding the running of their businesses. A woman whose informal business was tailoring recounted how her business was structured. She stated

> 'I own this business, having started it using a single sewing machine and a pair of scissors on the veranda of my house. Now I rent a shop and have two assistants who work for me. I open and close the shop every day, take care of bills, buy materials and accessories, pay for repairs on machines and pay the assistants' salaries. I decide on the amount of money a customer pays.' She went on to state that the money she makes from her business 'pays the household help, pays for my children's tuition, the family's clothing, and other small things in the house like buying utensils. My husband buys food and pays rent and school fees and other expenses.'

This example suggests that to some extent some poor women have command over resources and their proceeds. However, the sexual division of labour in this example is indicative of the gender discrimination in poor women's households. Roles are assigned according to gender biases, whereby the woman gets to take care of the female-related duties such as paying the household help, which is a substitute for her domestic duties. She also takes care of other female gender-related issues within the household which she regards as 'small things' by her own admission. On the contrary, the husband seems to take care of the important issues like the rent, school fees and food. This example further shows that money from women's businesses is used for female related activities within the household. When micro-credit agencies maintain that money is specifically for investment in business, they overlook the reality of poor women's need for money and its use within the household.

Daley-Harris (2002) suggests that on average women spend more of their income on their households. Women's income is used to purchase household items such as clothing, healthcare and education, and to improve diets. Moreover, Chant with Craske's (2003) study on female-headed household poverty in the Latin American countries of Mexico and Honduras observed that men contribute 50 percent of their income to the household fund, whereas women tend to keep nothing back for themselves, with the result that money is usually available for collective household expenditure in female-headed households.

Yet, studies of the informal sector in Tanzania are mostly concerned with either measuring its size and relative importance within the economy or highlighting the diversity of livelihood strategies for income generation, survival and economic security, often from a perspective of assessing its inherent potential for poverty alleviation (see Bagachwa and Maliyamkono, 1990; Bagachwa, 1994; Kaijage and Tibaijuka, 1996). This is not to suggest that these studies are inappropriate; rather this study is more concerned with the analysis of the dynamics within the informal sector. It considers how poor women's participation in the informal economy, under the urban conditions described in the previous section, involves understanding money and credit. As this study has indicated money alone is not a sufficient response to circumstances of insecurity, stressed family relations and vulnerability. While a number of causes can be attributed to this state of affairs, this study sees gender inequality and powerlessness within the household and the market, coupled with gender insensitive development initiatives as more relevant in explaining why women involved in informal sector businesses remain in poverty in Dar es Salaam.

Women come into the informal sector already vulnerable as a result of gender discrimination in the household, which results in unequal resource distribution. The informal sector itself is unregulated and regarded in a negative light. As a result there is not much protection, legally or otherwise, for women who are already vulnerable. This has led Bridge (2001: 3) to state that 'because of the concentration of women in casual labour of informal sector work, legislative measures have either excluded them or not been enforced in relation to most of their economic activities.' It is in the wake of this lack of clarity on the rules of engagement coupled with gender discrimination at the household and market level that I argue here that by simply offering these women money to invest in their informal businesses, micro-credit institutions are not being realistic. Poverty reduction needs to accommodate the multidimensional approach that these women use and understand the role of money in their social networks and business operations if meaningful inroads are to be made into poverty reduction. Micro-credit agencies will not solve their client's material poverty through money for business investment because this does not address the reality of the women's lack of power to challenge discrimination against them in both the household and the market.

Bridge (2001) observes that any poverty-reducing programme may not reach women directly owing to their lack of command over productive resources and control over output. While Buvinic and Gupta (1997, quoted in Bridge, 2001) note that some interventions can be problematic where resources are targeted at women (in particular micro-credit interventions) without attempting to change the 'rules of the game', where women are targeted with resources and it is assumed that benefits accrue directly to them and their children, to a greater extent than resources targeted at men.

This section looked at the informal sector in Dar es Salaam particularly how micro-credit agencies promote poor women's informal sector businesses, although this is done without looking at how the informal sector helps the women's businesses or how the women perceive their poverty and the role of money in their lives. It seems that poor women do not fully benefit from their association with informal sector businesses. This then leads us to the next section of this chapter which looks at the problems of survival in the informal sector in Tanzania.

5.4 SETBACKS TO WOMEN'S SURVIVAL IN INFORMAL BUSINESSES

Micro-credit agencies give money to clients to invest in their businesses, which are located in the informal sector. This section shows the problems that some of the women I interviewed encounter not only in making a success of their informal businesses, but also with money for investment. Picture One below to shows an example of one of the common income generating activities that some of the women I interviewed engage in.

Informal sector activities in Dar es Salaam spill over the squatter settlement boundaries to be found all over the city. They take on a fluid-like effect and seem to overflow into parts of the formal sector of the city. Along most major streets and bus stops in the city centre for example, one is likely to encounter male street vendors selling anything from second hand clothing to cigarettes, sweets and even newspapers. Women on the same locations would be selling food, pastries, nuts, seasonal fruits and fried fish. Small-scale trade is performed everywhere in the city. This situation induced the government to re-introduce the clean-up operations in the city by clearing up the streets of undesirable roadside kiosks popularly known as 'magenge'. This operation, however, was unpopular with many city dwellers whose livelihood depended on these informal income generating activities. These petty traders were blamed for many of the ills of the city such as crime, robbery, and garbage pile-up, a stagnant economy and city-wide sanitation problems (Schalge, 2002; Tripp, 1997b).

The informal sector offered many poor women the opportunity they needed to participate in income generating activities. The economic crises of the late 1970s and 1980s undoubtedly pushed many women to the informal sector. Studies such as Tripp (1989) and Bagachwa (1994) suggest that the impact of this economic crisis has been greater on women than on men. As producers and reproducers, managers and carers, women played a significant role in helping their families and households to adapt to these changes. During the 1980s many women were attracted into informal sector activities because they were financially rewarding. Tripp (1997a:21) observes that 'former financial obligations of men to women were in the process of being reversed because the informal projects had generally become more economically rewarding than wage earning in the 1980s'.

By the 1990s many poor women saw the informal sector as the only way forward. This is because they did not have the necessary qualifications to venture into the formal sector. Most of them were involved in petty trade while others made and sold food items. It was relatively easy to set up these businesses, as most initially required only a small amount of cash. The majority of these activities were conducted near the individual trader's home and required only a single person's supervision or the assistance of their children; usually daughters, as can be seen in Picture One below. This set-up was convenient for the majority of poor women, who had other household chores and obligations to take care of simultaneously. As more and more women became involved in the same kind of business, this resulted in a competitive market, reduction of the profit margin and phasing out of some businesses. These women were involved in similar businesses due to a combination of factors, including inadequate innovation, low education, lack of entrepreneurial skills and an assurance of their neighbour's business doing relatively well. Most of these women have not travelled beyond the nearest market nor attended any skills-improving courses, as was discussed in Chapter Four.

The women I interviewed stated that the primary motive for participating in business was to take care of their families. 'As women, we set up businesses to make sure our children eat.' Several women repeated this statement during the interviews. The need to care and provide for their families seems to be the immediate primary issue for the women, yet micro-credit agencies suggest that these women's first need is for money to invest in their businesses in order to improve their businesses and thereby make a profit. In so far as micro-credit agencies prefer to assess their clients' poverty in terms of lack of money for economic investment, they fail to acknowledge the importance these clients place on caring for their households. This suggests the necessity of understanding the women's reasons for engaging in informal businesses, especially their commitment to serve and provide for their families. This was stated by one of the women I interviewed when she said that 'life has become tough, it is necessary to pitch in and help my family. Since starting this business, my family is less stressed.'

By the 1990s when the financial reward of most informal businesses began to decline, many poor women did not take additional risks by starting new income generating activities. This is seen from statements made by some of the women I interviewed who claimed to have stayed with their informal business for a long time. One of the women has been involved with her second hand clothes selling business for nine years, while another who is a charcoal seller said she has been involved in the same business for the last ten years. This indicates that these women were sceptical of taking risks if it meant jeopardizing what they have already achieved, especially if it involved putting their households at risk. Coupled with the worsening financial situation, the government tightened business legislation in Dar es Salaam, causing a slump in informal sector activities. This situation involved danger to women, who by now had assumed the role of breadwinner in many households. Women had to continue trading in order to provide for their families. They had to learn new tricks and make the most out of the circumstances surrounding their informal income generating activities. However, there are other factors that have contributed a great deal to making women's survival in business more difficult. These include lower levels of education, lack of independent access to capital, insufficient business information, lack of networks, competitive pressure, lack of skills and technology, lack of markets and low profitability (Rutashobya, 1998;

Omari, 1991; Tripp, 1997a). Some of these issues will be examined in more detail in Chapter Seven.

Manka's case study in the section below has been used to illustrate in more detail poor women's businesses in the informal sector. Picture One below exemplifies one of the most common informal sector activities that women in Dar es Salaam engage in, street vending. With the help of her daughters, this woman sells fruits on the street pavement. She reported that she often relies on the help of her two teenage daughters a way of cutting costs and also apprenticing them for the role once they have families of their own. This sharing of tasks among family members also reflects the multidimensional way that poverty experiences are shared. It is important for micro-credit agencies to recognise women's disproportionate responsibility for raising and caring for their children. Any money that the women obtain is shared with their children; this woman's reality is missed by the micro-credit agency's promotion of money for business investment only. Money and credit for this woman means that she can continue to participate in trade because money can buy her small favours with the local authorities and business partners alike. The money she gets cannot significantly transform her business; rather, it enables her to get by on a day-to-day basis while leaving untouched the structures that greatly contribute to her poverty, such as the discriminatory gender practices of the household and the market, as well as her social and psychological distress.

The woman in figure 5.2 below uses a simple method to display her merchandise. Although the business appears temporary it is an activity that this woman does most days. She related how she carefully chose the spot where she displays her fruit 'because it provides a shade from the strong sun and heat, to both myself and my fruits'. She uses a simple display method of arrangement and very basic equipment such as the buckets, which serve a number of purposes. She stated that the buckets 'are used to carry the fruits from their home to the street and back again at the end of the day. They are also used to hold water for washing dust off the fruits in case a customer prefers to consume the fruit straight after purchase, and also to collect the peels or remains of the consumed fruit as there are no street bins.' This woman is working in unsanitary and hazardous conditions due to the absence of basic services such as public toilets, running water, waste bins and even protection for herself and her goods in case of crime. These women are a soft target for petty thieves and other criminals who may try to steal their goods or money. Some days they are prevented from trading due to climatic conditions such as heavy rains which flood the streets.

Figure 5.2 Informal sector business in Dar es Salaam region. The girls are helping their mother (standing) to sell fruits on the street.

Source: Researcher 2005

Moreover, she claims that 'there are days when we cannot do business due to political reasons like when there are demonstrations on the streets'. These women are also endangering their lives due to the close proximity to the road. Selling fruits when they are in season does not fetch good money as the fruit is plentiful and sellers are forced to reduce prices or else face the danger of a huge loss from rotting fruit. Generally the women do not use any means of preserving their goods. They sell them in their raw form and customers expect to buy fresh products. They rarely use any preservatives, not even sun drying despite the availability of abundant sunshine throughout the year. It could be argued that this is largely due to their lack of technical know-how. Yet, this could be an area that micro-credit schemes would wish to explore in their training sessions in order to assist their clients diversify their income generating activities and explore alternative marketing options.

Women are susceptible to losing everything when a disaster strikes such as illness, death of a spouse, or even divorce. A huge medical bill, coping with divorce or widowhood could potentially use up all their resources, meaning that they have to start from scratch again. These women cannot construct permanent shelter for their fruit as they know they have no legal right to be trading in the streets and the authority's harassment and confiscation of their goods is a constant reminder of this fact. The irony of such a situation is that they are required to pay tax for trading in the street premises by the local authority. The conflicting and mixed messages that these women receive from the authorities are confusing at best. Due to the informal nature of their activities, they have little or no legal protection, representation or knowledge to help deal with these circumstances. Some of the poor women traders have resorted to offering bribes to the local authorities to allow them to trade. These women are stressed by having to operate under such conditions, while making minimal amounts of money, yet they are grateful for the opportunity of conducting businesses in the informal sector.

Poor households share chores and responsibilities around the house and in their informal businesses. Girls especially are expected to help their parents sell things (see picture below). While this may be a way of cutting costs of employing paid help and preparing these girls for similar roles when they grow up, there are instances where this practice can have negative effects on girls' lives. One woman explained how sometimes 'when I have to attend a funeral, or visit a sick relative at the national hospital, my elder daughter has to skip school to help me in the business for the day. You know I have weekly loan repayments to think about.' When these girls miss out on school, or the time for private studies/homework to sell their parents' commodities instead, this creates a cycle whereby girls miss out on an opportunity to improve their educational prospects, forcing them to join the ranks of unskilled, uneducated informal sector workers with little chance of improving their future prospects.

One woman I interviewed also recounted how 'older men take advantage of their daughters when they are out selling things by luring them into premature sexual activities which result in early pregnancies, school drop outs and even HIV/AIDS and death. A colleague lost her sixteen year old daughter to this dreadful disease just last month.' This situation reveals how poverty exacerbates the gender inequality and dilemmas that poor women face in the process of setting up informal sector businesses.

In addition, their gender prevents them from performing income generating activities. Most had to cater simultaneously to both their domestic chores and income generating projects. Moreover, these women wanted to engage in businesses they were sure had a market, and hence chose projects that their fellow women have already done and seemed to succeed in. Most of the women's initial reason for starting up such projects was to get money for household maintenance. As such, they had to choose projects that could be fitted around their domestic chores and responsibilities. These projects were mostly those that involved little supervision and investment.

With changes taking place at the global level, in the form of Structural Adjustment Programmes (SAPs) and their effects, such as deregulated markets and trade, with the accompanying influx of cheap foreign goods being felt all across Tanzania, the future prospects of the women, who conduct their income generating activities at a rather slow and elementary pace, are dismal. The government of Tanzania has ratified a number of important agreements such as AGOA (African Growth and Opportunity Act), NEPAD (New Partnership for Africa's Development), and HIPC (Highly Indebted Poor Countries), and has adopted various policies intended to eradicate poverty. Meanwhile at the practical level, some of the poor women I interviewed are not changing the conduct of their business as fast, neither do they have the capacity or skill to go with the new developments, so they are bound to be left behind. This issue has concerned Mbelle, Mjema and Kilindo (2002:11) who state that, 'recent globalisation moves, while creating immense opportunities, threaten to leave many developing countries in the slow lane with no hope of catching up to the ultra-modern and supersonic speed of the developed world with its overwhelming edge in skills and resources.' The situation is worse for poor women who can hardly compete in the informal and formal sector within Tanzania, let alone at a much wider international scale.

The situation is bleak as these poor women will not be in a position to compete with goods from neighbouring East African countries, now that plans are underway to resuscitate the East African Community. The market economy has opened up markets to foreign investors who flood the market with cheap goods. These manufactured goods, imported in response to trade liberalization, have out-competed products from local industries, exacerbating industrial unemployment and negatively affecting poor women's businesses. Traders are flocking into the country to take advantage of the thriving Tanzanian market. Some of the poor women I interviewed saw this as a major challenge. They were particularly concerned that they did not produce goods of a high standard or on a mass scale as their competitors were doing, and were losing their grip on the market. This is what one small-scale trader that I interviewed had to say about the situation:

> 'The foreign investors such as the Chinese have spoilt things for us locals because nothing from the indigenous Tanzanians seems to have a market anymore. When comparing the local products with those from China, you will find that our local products are not as attractive and they are more expensive than those from china. Consequently, the Chinese seem to be selling stuff leaving the locals to hang dry, for instance locally made plastic shoes are sold between 6,500 and 9,000 Tanzania shillings, while the Chinese sell leather shoes at 3,500 Tanzania shillings. I tell you this will kill us local traders, especially those who took big loans to invest in a business that is not paying. Even the locally produced handbags are sold at 6,500 Tanzania

shillings, while better quality Chinese handbags are sold 4,500 Tanzania shillings, so who will buy locally produced things anymore?'

This quote reveals how women seem to hold foreign traders and their products responsible for their dwindling market response. This situation implies the need for education in skills improvement and marketing practices to enable poor women deal with the open market economy, by producing competent goods and services instead of blaming foreigners for the shortcomings in trading practices. This is a natural reaction that most indigenous people seem to take towards foreigners, as indicated by most of the poor women that I interviewed.

These poor women's understanding of their situation reveals their vulnerable position when market conditions become more competitive and demanding. They feel that they lack of skills to command the market and see the foreigners as a reason for this. In the first instance, these women face the risk of being unable to keep up their loan repayments, as they do not make enough money to enable them to honour this commitment. Failure to keep up with the payments puts their property in danger of confiscation as compensation. Stripping these women of the few possessions that they have is hardly the ideal way of dealing with and reducing poverty. Should this happen these women will feel the double jeopardy of both micro-credit and market economy.

To counter these negative effects of the market economy, Hart (2007) is of the view that the information revolution offers the African informal economy a new phase of possibilities. Gone are the days of exporting agricultural products and raw materials. Since manufacturing exports are facing competition from Asia, while there is little protection from international dumping, market opportunity options should be sought at the national, regional and global levels instead. He proposes trading in cultural production, because of the 'proven preference of global audiences for African distinctive music and plastic arts'. Yet again this is an area that does not favour poor women. They are largely left behind in technological advances and many do not use the internet at all, let alone as a marketplace. Besides, poor women mainly focus on the local market and produce goods and services that are a traditional part of the female domain, which do not achieve high returns at the market level as proposed by Hart (2007). In order to direct their production towards this potential market, women need skills and technology training and pointers in the right direction. At present some of the poor women I interviewed do not stand a chance of benefiting from these market opportunities because there is a complete lack of access to information and skills for upgrading their businesses.

The next case study aims to show the trading practices of one poor woman's informal business. It highlights the challenges facing informal businesses in both the market and technological advance. Manka's case study reveals some of the difficulties and frustrations some poor women experience when faced with limited options in terms how they conduct their businesses. This case study illustrates how micro-credit agencies need to realise the environment that their clients work in and to appreciate the need they have for training on marketing strategies.

5.4.1 **CASE STUDY: MANKA**

Manka wakes up at 5.00 am to take the early morning 'daladala' (commuter bus) to Karume market to buy second hand clothes. She relates how difficult this business has become of late. Most of her customers do not have ready cash at hand as they used to a few years ago. She acknowledges the fact that 'these days money circulation is tight'. At the market, she observes that most 'belis'[9] do not provide as good quality items as they did five years ago when she started her business. Second hand goods are commonly first opened in the presence of waiting prospective buyers very early in the morning, at around 6.00 am. At this early hour, the buyers are usually those involved in the selling and reselling of second hand goods. These buyers compete for items by snatching and pulling, causing quite a commotion. Manka has had a black eye and her toes trodden on while scrambling for good quality items that sell fast. Waiting for 'beli' owners to select and arrange items before she can buy them is expensive and would lower her profit margin. She prefers picking items that sell fast hence ensuring a steady flow of income, rather than items that take longer to sell. This is crucial both for ensuring she meets her monthly repayments at SELFINA and has money for her own upkeep as well.

After the purchase she goes back home to fine-tune her goods, washing dirty bits off clothes, ironing and making minor alterations to some garments ready to resell. She sells her clothes from a stall outside her house, but her regular customers are women working in city offices who do not have the time to shop for these items themselves. She sells her merchandise at up to three times the buying price. She has learnt to start selling at very high prices so that upon negotiation they can settle at a price that her customer is comfortable with, and she makes a profit from. Most of her office customers take the items upfront and pay at a later agreed date. In the past this system worked well and customers would pay the money on the scheduled date:

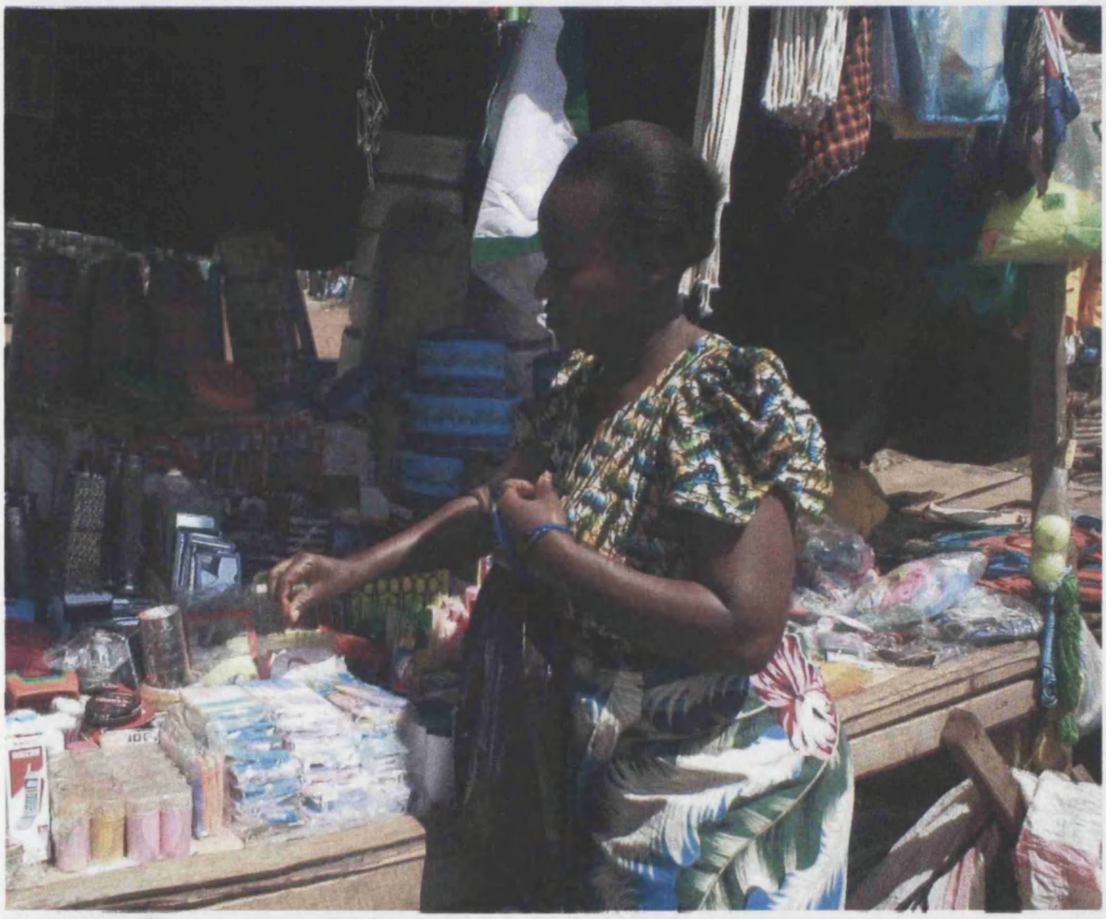
'These days customers are troublesome, they do not pay on time and sometimes pay in small instalments which take time to accumulate to the originally agreed price. Sometimes I end up consuming these small amounts of money instead of putting them away to be reinvested in the business. It makes the follow-up tiresome and expensive, as I have to pay the bus fare to get to town, only to be asked to come back at a later date.' She feels that her options for a change in business are restricted as she does not have enough capital to invest in a new business, nor any new skills to help make the transition. This frustrates her because the little profit that she makes is used mainly to repay her loan and provide for her son, with very little or no savings.

The mode of conducting business among some of the poor women I interviewed has not changed much since they began involvement in informal sector activities. Manka's example suggests that she has not made any real changes to the way she has been carrying out her business since she started five years ago. While this could suggest that the women do not like change, it could also point to the role of women in business in Dar es Salaam. Poor women find their choice and scale of entrepreneurial activities constrained by their gender roles, as well as factors such as lack of skills and training, as noted in Chapter Four. Once they assume a business role, they tend to stick to it for a long time. This situation is not unique to Manka's business; rather, it is a common phenomenon among many poor women's informal businesses. Although circumstances may be changing, for instance the issue of money circulation, which could point towards inflation and other economic and political indicators, women's trading practices remain unchanged.

This case study also highlights once again that giving poor women money without assessing the environment in which they work and live will not necessarily relieve their poverty as claimed by micro-credit schemes. Giving Manka access to money has only helped her with cash flow. The lump sum credit money she gets from SELFINA has been particularly significant for earmarking important items such as school fees and rent money, as well as investment in her business. However, her trading practices have not changed, preventing her from making a considerable profit. Even though the money from SELFINA can be helpful to Manka's business, enabling her to buy more goods (she stated that her last credit enabled her to buy more varied second hand clothes), lack of capital is just one aspect of poverty. Gender prejudices at home and the market force Manka to remain in female-related, low-reward activities which reinforce her poverty status instead of relieving it. She is not keen on changing her business because it fits around her other domestic activities and it is an area that she knows well. Besides, money alone does not offer her the necessary skills, education and information that she needs to enable her to make that leap from one business venture to another. She lacks access to relevant information, which acts as a barrier to exploring other avenues. Moreover, she has to obtain permission from her husband, who had not been keen to allow her to start a business the first time round.

Figure 5.3 (below) shows a woman in front of her stall (genge). The wooden frame is an example of the construction of many makeshift stalls from which small businesses are conducted in the city. These kinds of stalls have been around for some time. They illustrate the poverty of their owners as well as the uncertainty of doing business in Dar es Salaam. Items have to be arranged each morning and packed for storage in the evenings, a time consuming and laborious exercise. They have to walk around with money on a money belt making them easy target for thieves. In case of an accident, these women risk losing everything – their goods, the cash on them, and their domestic assets back home should these be confiscated as compensation for the payment they were scheduled to make. Most do not have insurance against their businesses. They do not have weekends off or holidays; theirs is all-year-round work except when they have to close due to unavoidable circumstances, such as health reasons [personal or close family member] or a funeral in the neighbourhood (it is considered inappropriate not to attend a close neighbour's funeral). Here socio-cultural practices influence poor people's monetary practices. Besides, these stalls also face competition from well-stocked, properly built shops constructed either of bricks or iron, for example, containers transformed into shops, and male street hawkers who follow the customers to their door steps and sell goods at the customers' convenience, as well as competition from market auctions, which deal in similar items sold cheaper and in larger quantities.

Figure 5.3 A woman trader in front of her stall ('genge').



Source: Researcher 2005

Since most of these stalls (genges) are constructed within poor women's residential areas, most customers usually tend to be neighbours or friends of the woman trader. They can take advantage of their social relations and expect the woman trader to sell items for a discounted price or at credit payable when the customer has made money within their own timetable.

These women are then caught in a dilemma - on the one hand they want to maintain good social relations, and do not want to lose their customers or damage social relations, on the other, they have to do business and make money to enable them to make repayments and maintain the running of the business. It is interesting to examine the practical implication of women not making changes to the way they conduct their businesses. With street vendors, for instance, the selling of food items such as buns, fried fish, roasted or boiled maize, pastries or even fruits has not changed much since the early 1990s. These women sit behind a display of their products, selling to passers by. Some of these products remain uncovered for most of the time that they are on sale becoming prone to dust, flies and direct sunlight and heat. These women have often been criticised for not maintaining hygienic standards in their business practices. Often, when there have been outbreaks of disease such as diarrhoea or cholera, they have been the first to be affected by the quarantines. These women need help to enable them to develop their businesses.

For instance, women selling fruit would benefit if they were to learn skills for preserving these fruits in the form of jams, or pickles, or just sun drying them. Most of the over-ripe or rotten fruit is thrown away resulting in a loss to their business. This would also diversify their trade, earning them more money while giving them options with which to trade when the fruits are not in season. This new knowledge could be a catalyst for other productive business ideas, reduce market redundancy and increase the possibility of business expansion.

Only a few of the women I interviewed have managed to transform their businesses by using new technologies that promise to offer more reliable and better returns. One woman I interviewed stood out as a good example. Previously, she had sold water from the well she had dug in her compound. Although the business was doing well because this area had are serious water scarcity, her home environment was constantly messy with the mud from water spillage; in addition she could not control the amount of water she was selling because it was easy for customers to collect more water than they were willing to pay for. With the money that she had saved over two years, she managed to transform her water business by using modern expertise and technology. She transformed the well and installed water tanks and taps, which she placed just outside her compound. The transformation enabled her to keep her home clean and also to sell more water as very little was lost due to spillage. Moreover, she was now able to control the amount of water she sold more easily. She turns the taps on in the morning and off at night and customers pay by the bucketful. She now makes more money than she did before.

This section has looked at women in the informal sector and some of the businesses that poor women engage in. Many of these women turned to the informal sector as the answer to their poverty. They engaged in informal businesses, which also offered challenges of their own. These businesses mainly follow female gender roles and are closely linked or attached to their homes. They also have low returns, use simple technology and poor marketing strategies. Instead of lifting these women out of their squalid conditions, these activities largely tend to reinforce gender discrimination, hence the argument put forward in this study that only providing money to these women, will not help to relieve poverty or empower them if the way they conduct their businesses remains unchanged.

5.5 **WOMEN'S INFORMAL BUSINESSES AND URBAN SURVIVAL**

This section looks at the implications of poor women's understanding of their informal businesses. It looks at some of the ingenious means that poor women use to get by in their businesses within the urban environment of Dar es Salaam. It shows that to survive in business, some women have had to acquire certain attributes that no money from micro-credit agencies can provide or substitute for. A number of the poor women I interviewed lived in the impoverished environs of 'Uswahilini' in Dar es Salaam. While life in 'Uswahilini' is bleak, over the years women have learnt to survive the best way they know how (see Lugalla, 1995; Tripp, 1997b; Omari, 1991). As they venture to understand and define their lives and surroundings, these poor women define the 'haven of peace' as 'Bongo land'. Bongo land is drawn from Tanzania's two national languages (Kiswahili and English) to create 'brain land', the place where those with 'Bongo' or 'brains', the cunning and shrewd, thrive. Dar es Salaam or 'Bongo land' gained this title from the experiences and perceptions the poor have of living in it. Experiences of poor women in Bongo land will be discussed in more detail in Chapter Seven.

The reference to Dar es Salaam as 'Bongo land' gained popularity in the mid 1990s when government policy was directed at discouraging the rapid growth of informal sector activities. Schalge (2002) argues that this attempt by Dar es Salaam residents to understand and define their environs reflects the current economic, political and power relations inherent in the society, a reality that is contrary to the belief that the city was a place where immigrants from the rural areas would make money easily and have a better life than those left behind. The city has instead come to be perceived as a place where one has to be clever, cunning and inventive to survive, a place where making money is not as easy as it was thought to be. There were many hurdles to be overcome in the process. Not only did these poor women have to struggle to fit into Bongo land, but they also had to become shrewd in order that their businesses might thrive. Micro-credit agencies' money-only approach to poverty reduction tends to ignore the importance of these women's specific experiences and struggles of living in and acquiring the traits needed in Bongo land, even though these women claimed that the experiences influence their businesses. Being conned in Bongo land has taught poor women to be very careful in their business deals. This again suggests that simply giving women money as a poverty reduction tool, without understanding the circumstances that surround them, may not be the best way to approach the problem.

The situation described here is a great departure from Tanzania's recent history. After independence in 1961, Nyerere's vision was to see the country develop into a 'people-centred poverty-free society, based on full and equal access to food and nutrition for all, and to the resources necessary to achieve this; societal control over key resources; full participation in decision making, policy making, implementation and monitoring; and strengthening of sustainability and self-reliance from the grassroots to the national and global level' (Mbelle, Mjema and Kilindo 2002:23). In order to eradicate poverty, Nyerere identified four prerequisites. These are people, land, good policies and good leadership, as stated in the Arusha Declaration in 1967. In a bid to promote socialism, he discouraged the capitalist tendencies of 'love' of money, as this would undermine efforts to build socialism and self-reliance principles. Socialism and self-reliance failed to work in Tanzania. The attempt to put major means of production and exchange under the control of the peasants and workers failed due to the lack of entrepreneurs and the necessary entrepreneurial skills among the peasants and workers. In the 1970s through to the 1980s, the majority of Tanzanians did not want to identify themselves with capitalist tendencies due to the political and economic repercussions this would have had at the time. The socialist propaganda called all Tanzanians 'ndugu' (brother/sisterhood). Capitalist tendencies and aspirations to make money were scorned by the government as well as in popular culture through the use of slogans and songs, and people who offended against this ethos were labelled 'economic saboteurs' (Bagachwa and Maliyamkono, 1990). The situation has since changed and now the people, especially women, aspire to make money to lift themselves and their families from pervasive poverty.

Although the political wheel may be turning somewhat, policies and practices are still in place that undermine poor women's efforts to engage in income generating activities, such as the conflicting taxation and licensing procedures of local governments. As we have seen, these women also face gender-related constraints to money making, where they are forced to engage in female gender-related activities that keep them tied to their domestic duties, and which offer low returns. Consequently they cannot make as much money as their male counterparts. Even where they venture into what are regarded as traditional male activities, they are socially discouraged and ridiculed. Again, this implies that for micro-credit to ignore these issues, and deal with the lack of access to income as these women's only concern, is to miss the point, and is not the most effective response to their poverty circumstances.

In 1985 the government reinstated the widely despised Human Resource Deployment Act of 1983 requiring all urban residents to have labour identification cards, or be fined, remanded in custody or even forcibly removed to the rural areas. The officials said this was an attempt to bring order back into the city by rounding up and removing idlers and other undesirable elements from the city. The poor city dwellers on the other hand saw this move as further exclusion and oppression of the weak and poor by the rich and powerful. Although they did not directly confront the authorities, according to Tripp (1997b), they circumvented the regulations and continued to do what they could to get by. They resisted by rebuilding their road stalls once they were torn down, paid whatever fines were levied against them when caught, and sometimes ran away, leaving their goods behind for the authorities to confiscate. It is mainly owing to such experiences that city residents termed the 'Haven of peace' as 'Bongo land'. The term 'Bongo land' signified one's shrewd ingenuity to avoid, or sometimes manipulate the authorities, and persist against all odds for survival.

A number of the women I interviewed saw the opportunity to survive the odds against them as a victory of sorts, that they too could own a space in the city and use their own initiatives to make a living for themselves. It was around the same period that the poor collectively referred to themselves as 'walalahoi', a term derived from the Kiswahili word 'lala' which means sleep. 'Walalahoi' refers to the very poor masses that struggle in the heat of the scorching sun for survival by day and sleep like logs due to fatigue by night. These particular poverty experiences and struggles to overcome obstacles are missed by micro-credit agencies, which see poverty mainly in terms of lack of access to money as capital for investment. Indeed, among the women I interviewed the ability to differentiate between money as being either for capital or household use in itself requires cunning. Without that cunning, most money provided by micro-credit agencies would end up specifically for household use. A more detailed discussion on how money operates at the domestic level will be found in Chapter Six.

The women I interviewed who own roadside green vegetable stalls described how they avoid the authorities who seem to target them more than men. They resorted to a number of tricks, including erecting very shabby looking stalls for displaying their produce. They do this to avoid expenses, because they have to repair or make new stalls once their original ones are either torn down or confiscated by the authorities. Other tricks include displaying only samples of what they are selling, placing larger stock out of sight in safe places such as nearby shops or houses. They even place 'guards' [mostly their children and allies] in strategic areas to spot the authorities from a distance and give warning. This gives them time to prepare the best means of dealing with the situation. Sometimes they disperse, taking their goods with them, and at other times, they quickly raise money amongst themselves to offer as bribe ('chai') to the authorities and continue selling their products. 'Chai' is a Swahili word literally meaning tea. It is an informal word used to refer to bribes in the city of Dar es Salaam. This is a reality of which micro-credit schemes are oblivious because they fail to clearly assess the specific kinds of skills required to do business, and therefore the conditions which prevent money being used as investment and income generation among these women.

Some women have been known to use a single licence for two or more income generating activities. One woman I interviewed revealed how she uses her licence for food vending by day not only for selling second hand clothing behind the shack where she prepares food by day but also for selling alcohol at night under the guise of selling fried chips and chicken. She recounts that if she were to be faithful and pay all her taxes, she would not be in a position to pay the rent for her rented space, let alone make any profit. She is of the opinion that most well established businessmen avoid paying their taxes anyway so she is doing herself a favour through her intelligence ('Ujanja') in surviving. 'This is the city, you have to be shrewd, no dawdling' she says with a twinkle in her eye. She takes her work seriously, as more than simply a survival strategy. She sees herself as offering a much-needed service to mankind, offering good food and clothing at affordable prices for the majority of urban dwellers. This example reminds us that, 'it is important to bear in mind that people have drawn on their own resources and have come up with creative, flexible, and viable solutions to the problem of survival under duress. This in itself should command the respect of academics and policy makers' (Tripp 1997a:28). When viewed from the angle of the struggling women, using their creative initiatives and abilities ('Ujanja') to override obstacles in their way to a better life, Tripp's observation is an accurate account.

Another woman trader I interviewed, who transports consumer goods such as soap, cooking fat, toothpaste and lotion from the town of Kilimanjaro to Dar es Salaam, recounted the tricks she uses to avoid paying the excessive taxes. Paying all required taxes is considered fatal to small businesses, which have small capital margins. 'Each penny is really valuable, one cannot overlook even a single cent,' she states. She buys merchandise from the border town of Taveta. This is a famous market town situated at the borders of Kenya and Tanzania with two market days [Wednesday and Saturday] each week. Among her many tricks are changing items from their original boxes, transporting few boxes at a time, dressing herself down like an ordinary housewife in a cloth wrap-up and having an understanding with the bus conductor to help her out in case customs officers demand receipts. This, she says, enables her to make some profit.

The ability to twist and turn and cut corners to make some money for themselves is highly regarded among poor business women in Dar es Salaam. This mainly comes from the country's development history. As a socialist state the aim was to build a powerful and centralised public sector, which reduced opportunities that could promote informal sector development through private initiatives. Resources were centrally allocated and regulatory mechanisms worked in favour of state-owned enterprises, which discriminated against the private sector. 'It is possible to speculate that the socio-political environment in Tanzania during the late 1960s through the mid 1980s was not positive or friendly to individual entrepreneurs,' claim Mbelle, Mjema and Kilindo (2002:30). This situation changed later in the late 1980s with the economic reforms, creating a more enabling environment for individual and private entrepreneurs to thrive.

Micro-credit agencies' tendency of judging clients according to their credit history could have unintended implications as far as access to money is concerned. By preferring clients who have good credit history – that is, they make their repayments on time – micro-credit schemes could possibly be assisting only those shrewd urban dwellers that know how to manoeuvre their way towards obtaining loans as part of their 'Ujanja' of living in the city (Simanowitz, 2002; Young, Samarasinghe and Kusterer, 1993). As long as all it takes is to repay the loans on time, this could attract clients who would not otherwise be accepted by the agencies had there been other ways of assessing them. Those who have successfully manipulated their way into making money are regarded with the utmost respect among poor women.

They have challenged the setbacks and hurdles and have come out triumphant, regardless of the means they employed. These are also the poor women who are daring and willing to take on new challenges and try new ideas, including joining micro-credit agencies to get the money they provide. While this is not entirely a problem, however, only giving money to their clients and judging their progress through their credit history, means that micro-credit is missing the target of assisting other poor women who need these services to improve their lives and businesses, while easily servicing those shrewd individuals who may or may not be their target population. By choosing to look at poverty as the lack of money, micro-credit may be isolating the very people who it aims to assist.

This section has looked at poor women's attitudes towards money and businesses and the implications these attitudes may have for micro-credit and poverty reduction. It observed how migrating to the city to make money has not been as easy as it was originally thought to be. Social relations, gender discrimination and policies, which undermine women's efforts in moneymaking, complicate the reality of poverty and life in the city. Women have devised ways to get round some of these obstacles, and are highly regarded among their peers when they succeed. The section has argued that, to some extent, micro-credit fails to recognise this reality.

CONCLUSION

This chapter has looked at the brief history of Dar es Salaam, highlighting the specific features that make it stand out among other urban areas in Tanzania. It was erroneously seen by some women I interviewed as a promising destination for money making and earning a relatively comfortable life compared to the rural areas. The chapter also reviewed the specific nature of poverty as it is perceived and experienced by women living in the city. It has highlighted some of the important issues in the socio-political environment of Tanzania which have a bearing on the growth and development of the informal sector and the businesses within it. Finally it explored some of the complexities and multidimensional ways in which poverty is understood and experienced by the women I interviewed, be it physically, psychologically, or in terms of income. Moreover, these women see the informal sector as a mixed blessing because, while it offers them a chance to conduct their income generating activities, it poses a threat owing to the negative effects of gender biases, the market economy, foreign investment and international dumping of products.

The micro-credit agencies' objective is to enable poor women to participate in income generating activities by giving them money for investment. However, their operations need to adapt to the reality of their clients' experiences of poverty and the discriminatory gender relations of the household and market structures of the informal sector. They need to evaluate their money-only policy and include more specialised training for their clients to help them maximise the use of credit money. Micro-credit schemes need to evaluate their money-only approach to ascertain that they reach the target population group of the poor rather than only the shrewd people who can maintain an impressive credit history by making timely repayments of their loans. This can be achieved by reviewing the definition micro-credit has of poverty - to include a more holistic approach and to appreciate the role that money plays in their clients' lives. Having looked at poor women's experience of poverty and how they turn to informal businesses as a response to their situation, the next chapter assesses the varied meanings of money articulated within micro-credit schemes by both the credit providers and their beneficiaries.

Notes:

1. All indicators prove that poverty is predominant in the rural areas where the majority of the population can be found (World Bank, 2001; Vyas and Bhargava, 1999).

2. The Zaramo is the tribe indigenous to Dar es Salaam.

3. The name 'Kariakoo' was adapted from the German's African 'carrier corps' which was stationed in the area during the war. Kariakoo remains the central commercial area for most African consumers. The words 'Uswahilini' (Africans), 'Uzunguni' (Europeans), and 'Uhindini' (Asian) are the Kiswahili words for the respective residential areas along racial lines. These terms are still used.

4. The preference of leaving the wife in the rural areas was based on the fact that 'at home she is an investment and an economic asset growing enough food to feed the family. Whereas in town, she is an economic liability, having no plot of land on which to farm and very often no small trade, yet requiring a constant succession of new things such as garments, ear-rings, sandals, if she is to be kept contented and not made to look ridiculous by other wives in the city' (Leslie, 1963:226 quoted in Schalge, 2002: 97).

5. According to the 2002 population and housing census, Dar es Salaam is the largest city occupying an area of 1,393 sq. km with a population density of (1,793 people per sq. km). The only other cities are Mwanza and Arusha.

6. The poor can now be identified using the 'functional groups' perspective rather than the traditional 'poverty-line' category. This method groups the poor into (1) actual poor -single parent household with high dependency ratio. Elderly, widows, chronically sick, refugees, women and children in households under and close to the poverty line. (2) Potential poor - have potential to become poor under adverse conditions. These are ex-urban formal working or middle class, rural small holders, marginalized cultural categories, urban self-employed and informal wage earners and their dependants (Mbele, Mjema and Kilindo, 2002)

7. See www.thememorybank.co.uk/2007/01/08 for a detailed discussion on the African revolution, urban commerce and the informal economy.

8. However since September 2006, the 4th phase government has relocated all hawkers from the centre of the commercial capital, Dar es Salaam to the city's remote Kigogo area. Hawkers who resisted the move were dealt with according to the law.

9. 'Beli', adapted from 'bale', is the common term used to refer to the big bundle of fresh uncut arrival of second hand goods.

CHAPTER SIX

MICRO-CREDIT AGAINST THE BACKDROP OF MONEY

6.0 INTRODUCTION

The Micro-credit Summit of 1997 identified money as the single most important missing link in the eradication of poverty. Consequently, providing poor families with access to money through micro-credit schemes was approved as the way forward. The women of poor families were specifically targeted not simply for their vulnerability, but also for their potential to make changes in their households. As discussed in Chapter Five, women spend more of their income on their households while men use their income for personal needs (see Brydon and Chant, 1989). This has been among the reasons why micro-credit agencies provide money for poverty reduction to women.

The Micro-credit Summit concluded that women should have a right to access financial resources, as this was their 'human right'. The summit also asserted that credit is a significant mechanism for reducing women's poverty. However money means different things to different people in different settings (Biggart, 2002). The meaning of money 'does not depend on some characteristic that is common to all money, but instead it depends on what people in a particular context do with it' (Carruthers and Espelland, 2002:294). This chapter seeks to explore the varied meanings of money, as they are perceived among the major actors involved with micro-credit schemes. In so doing it will assess how the varied meanings accorded to money converge or diverge from the meaning of money as understood and applied by micro-credit agencies.

This chapter further evaluates how the different meanings of money can have an impact on the goal of eradicating poverty, given that poverty reduction itself largely depends on local circumstances. The chapter is divided into four major sections, including two case studies. The first section looks at the perceptions of the meanings of money as perceived by PRIDE and SELFINA officials, who articulated micro-credit agency ideals. The second section assesses the meaning and value of money for women clients of micro-credit agencies that I interviewed. This is followed by a case study showing how the meaning of money has changed for one interviewee since her involvement with micro-credit schemes. This case study argues that, contrary to the micro-credit agencies' claim, having more money does not guarantee a better life for some poor women and their families. The third section reviews savings, credit and debt among women clients of micro-credit agencies. This is followed by another case study illustrating the complex ways in which poor women make use of various sources of money to sustain both their businesses and their membership of micro-credit agencies. This complex way of juggling various money sources is overlooked by micro-credit schemes. The final section deals with the domestic context of money among the women interviewed.

6.1 PERCEPTIONS OF MEANINGS OF MONEY FOR PRIDE AND SELFINA

This section looks at the views that SELFINA and PRIDE micro-credit agencies have of the money they offer to their clients. It points out the perceptions of money that micro-credit agencies have for the purposes of enterprise development and poverty reduction. These views may not necessarily correspond with those of their clients. Providing the poor with access to financial services is micro-credit's major objective. Money is believed to increase poor women's net wealth, their status within the household, potential to escape from poverty and generally improve the lives of their children (Khandker, 1998). Micro-credit's global concern is reducing poverty by providing small amounts of credit to generate self-employment in income generating activities. However, reducing poverty depends on local circumstances. By the same token, money is not a homogeneous entity.

The meaning of money varies depending on its use, context, and direction of flow as well as its proximate and ultimate sources (Carruthers and Espelland, 2002). Nonetheless the term money usually denotes the official standardized, unitary general-purpose money the meaning of which is biased towards the economic functions of money. These include measure of value, means of exchange, means of payment, store of abstract value, and unit of account (Raddon, 2003). Official standardized money is the predominant meaning for those with or in power. However, Zelizer (1998) argues that like all other social objects, money has meaning that depends on its use and context, which are socially structured. Thus, it is misguided to try to 'identify universally representational properties of money and to link these to its meaning' (Carruthers and Espelland 2002:294). This section seeks to explore the diversity of the meaning of money as understood both by the micro credit programmes and their women clients in Dar es Salaam.

Interviews were carried out at both PRIDE and SELFINA offices in Dar es Salaam. The officials at both institutions claimed to be experienced and resourceful, with first-hand experience of dealing with women's income generating activities. They also claimed to possess vast experience, having worked for their organisation for a considerable period. They claimed that for this reason, their views were representative of their organizations on matters of money as well as their businesses. As torchbearers of their organization's goals and objectives, their similar views will be expressed together, and their differences pointed out.

Both SELFINA and PRIDE officials see credit money as the best thing to have happened to poor women in Dar es Salaam. To quote SELFINA's managing director, 'money is a very important ingredient/tool that is absolutely necessary to be injected in business if that business is to grow'. However, she observes that 'most Tanzanians do not see it this way', which she further asserts is sad because most people 'see credit as something you take only when in dire problems'. She is of the view that this is not a proper view of money because it causes them to 'fail to rise to the challenge of using credit for their utmost benefit. Such people view credit money as being only for the very poor, they should learn from a few wealthy people around who understand the meaning of credit. They take credit to inject into several of their business ventures. Other Tanzanians need to transform their thinking and realise that credit is a good way of improving their businesses.' She is stressing that money be seen as capital mainly for investing in business for the purpose of expanding the business. The implication here is that as the business grows, it will generate more money that will lead to further growth of the business and consequently the improvement of the borrower's life. It could be argued that the example of a wealthy man taking up credit to improve his businesses has been specifically used to stress the role of credit/money as a form of capital. However, she also seems to recognize that most people, including their clients, do not see credit money in quite the same way: they do not see credit money as specifically for investment in business. The arguments of this high-ranking SELFINA official further underscore the existing discrepancy of the way micro-credit agencies and their clients view money. The views of how their clients perceive money will be discussed in more detail in the next section.

PRIDE's assistant branch manager maintained that 'poor women need credit to be able to do business as they do not have a large capital base'. This statement further emphasises what micro-credit agencies see as the primary motive of credit. They see credit as capital for investing in their clients' businesses. Since these micro-credit agencies follow the WID principles (see Chapter Two) which are based on the assumption that economic development will percolate to other spheres of development, it is also believed that once access to financial services is sought, this will cause these women to invest which will lead to reducing their poverty (Mayoux, 2003).

The money that they make in these income projects will be used to improve other aspects of their lives such as the social and political aspects, therefore attaining an all-round development. These statements clearly suggest that micro-credit officials see money as a form of capital necessary for investment in their clients businesses.

Collectively, micro-credit officials were of the opinion that to realize the best outcome, money has to be wisely invested. Consequently only those women who invested wisely in their income generating projects will be successful. A SELFINA official was of the view that 'only women who work hard and persevere in their income generating activities and invest wisely, can change their lives around and be respectable women running their own businesses'. However, investing 'wisely' is vague and somewhat contradictory. Prior to joining micro-credit schemes, poor women need to have an established business as an absolute requirement for membership. The requirement does not necessarily discriminate between types of income generating activity, as one PRIDE official stated, 'any business that makes a profit of at least 1,000 Tanzania shillings per day, is welcomed'. These micro-credit agencies offer money only to their clients expecting them to invest it 'wisely' without assessing these clients' ability to do so. Most of the poor women that I interviewed lack education and skills, struggle with social and cultural exclusion and lack the economic acumen and confidence, meaning that it will be difficult for them to invest 'wisely' as suggested by micro-credit agencies, even though 'wisely' is only vaguely asserted here. For most of these interviewees, any business venture that they undertake that gives them a profit is seen to be a wise investment.

This categorization of money as capital provides an interesting perspective on micro-credit as a whole, more so as the women clients of these micro-credit schemes do not use the money they get specifically as capital as noted by micro-credit officials. One SELFINA official lamented that 'women use the money for purposes other than economic investment'. This study has already indicated some of the ways women may use the loans. A fuller discussion of how these women actually use the money that they get from micro-credit agencies will be dealt with in the final section of this chapter. Using the money from micro-credit agencies for purposes other than economic investment is a reflection of the women's broader concerns. For them money is for improving their whole destitute living situation and not just for investing in business. This is evident in one interviewee's account of how she used the latest credit money she got from PRIDE: 'I borrowed 300,000 Tanzania shillings [£123.30] I used 150,000 [£61.65] to pay for my son's school fees first, and then I started thinking where to get money for repayments. I cannot invest all the money in business because the reality is that as a poor single parent, there are a lot of money issues to take care of.'

For this woman credit money is not used as capital but rather as a resource for improving the quality of her family's life in general, which includes her business as well as her family's welfare. This example also points to the reality of poverty as experienced by some of the women I interviewed - it is not simply a lack of money for economic investment. These women's poverty encompasses other deficiencies which include the need to provide their children with education. This instance is a reflection of how the meaning of money can be transformed (see Zelizer, 1998). This woman has transformed the meaning of credit money from merely a form of capital for investing in business and personalised it to mean a resource for the general improvement of her situation.

The understanding of credit money as capital raises concerns not only for micro-credit but also for poverty reduction as a whole. Micro-credit seeks to address poverty reduction as do poor women, but the implication here is that they are addressing this fundamental issue from different perspectives. Micro-credit agencies see poverty reduction mainly from an income perspective, while poverty reduction for their clients involves more than just income, as discussed in Chapters Four and Five. For them poverty reduction encompasses the entire conditions of their lives. The agencies' keen interest in income stems from the fact that the agencies are themselves increasingly run as a business. For this reason they tend to categorise a client as good when they maintain a high level of repayments. Credit officers believe that 'a good client is the one with a good credit record of repaying their loan in ample time'. This perception was challenged during the interviews by some clients who claimed that there are ways of maintaining a credible credit record without necessarily having a good business, which does not reflect on the income generating activities, or improved poverty status. Such clients merely get money from other sources. Islam (2007) observes that micro-credit agencies perceive that money from credit contributes to an increase in income and capital accumulation for their members, further emphasising the importance of credit as capital among micro-credit institutions.

Micro-credit officials also understood money as an opportunity/chance to escape poverty. One SELFINA official cautioned this would only be realised 'if the women involved took their credit status seriously'. She continued to assert that in order to break away from poverty, 'they should regard their income generating activity as some form of employment'. She was of the view that if this is done, especially in this era of high unemployment, 'then one will work hard and do whatever is necessary to keep one's job'. Micro-credit agencies associate hard work with the ability to make more money. This is implicit in the statements of micro-credit officials who do not seem to appreciate that their clients do work hard already, juggling income generating activities with domestic chores and caring for and maintaining their families. This was reflected in one PRIDE official's statement that, 'we try to enlighten our clients that those who are serious in their businesses are the ones who escape the vicious cycle of poverty, since the harder they work, the faster they make their repayments. This gives them more money to invest in their businesses causing these businesses to expand faster, giving these women more money which will eventually reduce their poverty.'

However 'work hard' seems subjective here because these poor women do work hard (see Gordon, 1996; Creighton and Omari, 1995; Kevane, 2004). These statements beg the question as to what proper 'work' entails. Most of the poor women I interviewed do work hard both in their homes and in their businesses, yet micro-credit officials seem to be urging them to work even harder. Micro-credit official statements that their clients must work hard in their businesses so as to make more money may imply the stereotype of what is regarded as work, whereby only work which is remunerated is recognised and appreciated. For instance housewives do not regard their domestic chores and duties as 'work' because they are unpaid. It is possible that credit officers also only see their clients' income generating activities as 'work' because these activities bring in money, consequently applying the kind of stereotypical labelling to work that is common in the society including among the women interviewed.

Micro-credit officials further stated that 'credit is designed to help women fight poverty by involving themselves in income generating activities and is not for purposes of buying clothes or cosmetics to improve their appearance'. Micro-credit officials here seem to be making a moral judgement as well as an economic one. Cosmetics and clothes seem to be regarded as frivolous and bad, simply a vanity. Since most of these women interact and deal with people, they are required to have a certain accepted standard of dress, which the general public expects to be smart, clean and presentable. For this reason clothes and cosmetics become an important part of the way the women conduct their everyday businesses. Moreover such statements ignore the fact that poverty is made up of inter-related and multiple deprivations. Poor women living in the city face many challenges. Some use the money to buy the items they need, such as clothes, jewellery or furniture not merely as an attempt to fit in with the rest of the urban dwellers, but because they need to improve their living conditions. Although it may legitimately be argued that buying cosmetics may not be the ideal way of utilizing credit money, nevertheless poor women use this money for things they need, even though micro-credit officials may regard these things as unnecessary. Yet again this is an indication of the disparity between what poverty reduction entails for the two parties concerned. Here the meaning of money for poor women seems to have transcended 'economic investment' to become 'personal investment'.

Micro-credit officials seem to shift the blame for not being able to make money faster onto the women themselves. They blame them for not making a success of their income generating activities after obtaining money with which to do so. This was implicit in statements like 'sometimes women are not careful with money and they do not even know what they did with it come end of the month, let alone end of the year', commented one SELFINA official, 'this is why at SELFINA, we encourage our clients to lease equipment rather than taking loans.' This comment overlooks certain realities in poor women's conditions of work in the informal sector, as discussed in Chapter Five. It also overlooks gender biases and policies which hinder these women's performance in their businesses. Further, this comment also reveals the interest that micro-credit agencies have in good credit records which are tied to timely [and probably fast] repayments.

Moreover, that micro-credit agencies do blame their clients is evident in this comment from a SELFINA official, that women 'prefer to be safe than take risks. Our goal is eventually for our clients to reach levels where they graduate [from subsistence businesses to mainstream businesses] and stop taking small loans from us, as they will have big businesses demanding larger capital, which they will now be able to get from commercial banks. We are not reaching these levels yet because most clients prefer to reduce their cash commitments rather than increase them. Most of them feel they would rather be safe than risk it'. Micro-credit officials encourage their clients to take up reasonable risk in order to get a chance to make more money. As one woman that I interviewed said 'I have repaid a 700,000 [£288] Tanzania shillings loan. The next step is a 1000,000 [£411] Tanzania shillings loan, but I'm hesitant. The credit officers are urging me to take it because of the possibilities of making more money, investing in another project or taking a loan individually instead of part of a group, but I am not ready to take such a big risk yet.' Micro-credit officials consider taking a risk as positive if that risk offers the possibility of making more money and expanding a client's business scope. However most of their clients hesitated to take risks that might jeopardize their livelihoods.

Micro-credit officials also understand money as 'a learning opportunity to save[1] on a regular basis', in conjunction with repayments. PRIDE sees itself as a pioneer here as it was the one that started teaching clients how group-lending mechanisms work. Micro-credit agencies also pride themselves on teaching women 'the discipline of punctuality'. They have to be at the micro-credit offices in time for their session, whether for repayments or training. Clients have been taught to be responsible for others in the whole group of fifty members, or the small group of five members; a single member's absence can negatively affect the whole group if repayments are not attained. The whole group is liable to pay the difference caused by the absent member. In SELFINA's case where each woman stands alone, they have been 'taught to honour their contract'. All clients are reminded to 'abide by whatever date they agreed upon for making repayments, or else they have to pay a fine for late payments'. Micro-credit agencies have good intentions in emphasising punctuality since they see credit as more than just an economic matter. The implication here is that the agencies also see money as a moral matter. The engagement with money allows them to set up moral conditions for access to it. Their clients have to become a certain sort of person in order to be deemed an appropriate recipient of money, in this instance they have to observe punctuality, in their weekly attendance as well as the continuous repayments. Presumably, punctuality is seen as an essential demonstration of the moral transformation of their clients.

For micro-credit officials, money given to clients signifies trust. Money is often used as a symbol of trust since a person who has money is trusted over one who has none. They expected the women to exhibit trustworthiness by being responsible for the money they borrowed. The PRIDE branch manager was of the opinion that 'we entrust women with our money when others cannot, we expect them to do the same and pay it back'. This was expressed in the context where others (friends, family and associates) who know the women better have not been in a position to give them money for business. 'I tell our clients, try to ask for money from friends or relatives who know that you have a business and see if they can give you, they will not'. Meanwhile the SELFINA manager pointed out that, being poor, 'women are not creditworthy; hence no one trusts them with their money apart from the few micro-credit agencies'. It is therefore crucial for the women to keep up the payments in order to continue being trustworthy. Failure to do so would earn them a bad reputation, which is bad because 'if nobody can trust you with their money, no one will be able to help you no matter how deeply in trouble you may be'. Moreover, the agency officials warn their clients against breaching this trust by cautioning, 'being greedy and taking many loans at once can bring grim consequences. The problem with this is that the women will not be in a position to repay these loans, hence earning them a negative reputation, which is a great loss for them.'

A number of the women I interviewed understand and appreciate the issue of trust more than they are given credit for. One interviewee, expressing her views on trust stated, 'I think it is more risky to make enemies with my neighbours, I would rather make enemies with credit officers than with my neighbours because if I mess up in my neighbourhood who will help me in time of need?' The issue of trust is clearly an important factor both for micro-credit agencies and their clients as shown above. However, as noted above, they approach it from different perspectives. Women interviewees prefer to put more trust in their neighbours (social relations/network) whereas micro-credit officials emphasise repayments (money). This may imply that their clients put more value on their social capital than on economic capital, which in turn has far reaching effects for the meaning of money and poverty reduction. This could explain why some interviewees chose to help or visit a sick neighbour [earning them no money] rather than conduct their business which helps with debt repayment. It can be argued that this is a situation that has not been adequately assessed by micro-credit, hence the tendency to emphasise economic investment rather than other aspects of poverty.

'Our money is precious and is not for free,' reiterated the SELFINA manager. This implication of this statement is that money is valuable, and probably too expensive for these women. Some of the women interviewed approached micro-credit organisations because they need to boost their income generating activities, and such value-laden statements may intimidate some women who are already socially excluded and daunted. For micro-credit agencies to make an impact on poverty they need to be sensitive towards their clients and not pass judgements that are helpful neither to micro-credit as an organisation nor to its poverty reduction strategy. Micro-credit agencies also need these clients because they too take loans from commercial banks and need to repay them. The agencies need to encourage their clients rather than intimidate them.

Money was also understood by micro-credit agencies to mean empowerment, as it was given to increase the income opportunities of poor but economically active women. With the rising level of gender violence, micro-credit officials were of the view that 'women are in a better position at the household level if they can contribute economically, or even be in a position to support themselves and their families'. This was deemed possible through investing in income generating projects. The agencies suppose that women will get money and 'determine its use, as it is their own and not to be given to their husband's or other persons instead'. The ability to contribute economically towards household expenditure and also to influence decisions within the household is regarded as empowerment by micro-credit agencies. The issue of money causing women's empowerment can be contested. In support of this argument, women who have experienced and endured intolerable suffering in their matrimonial homes claim to have been empowered by the money that enabled them to leave and start a new life and participate in business.

Yet on the other hand, money has brought problems. As one interviewee commented, 'some men do not appreciate a woman with money. For them quarrels never cease just because the woman in question now has money and is less dependent on him.' She was referring to the soured relationship with her partner who constantly threatened to leave her now that she has money and is not as financially dependent on him as before. Some of the women I interviewed reported instances where men have neglected their role of providing for the family because the women have money. As one woman put it 'every time you ask for money, you will be reminded of the money that you have. Some women regret and wish they had not bothered in the first place.' For these women, such circumstances can hardly be translated as empowerment given that having money puts more pressure on them. Not only are they required to invest the money in income generating activities and make regular repayments, but they also have to provide for their families, a task that previously fell on their spouses. In the long run these women have neither empowerment nor relief from poverty. Moreover, as has been previously argued, empowerment cannot be given to someone as it is a process through which a person gains equality (see Burra, Ranadive and Murthy, 2005; Mayoux, 2003).

Micro-credit officials view money in terms of what it can do for poor women to elevate them to the status of empowered, creditworthy, trustworthy and respectable individuals. This was evident in the language that these credit officials used to describe the money that they offered. One credit official stated 'our credit is precious. For free money women should go to the Ministry of Community Development, Gender and Children where they can get loans for smaller interest rates of 10 per cent.' Through this language they clearly identify with their organisation, but also challenge their clients who have little control over the loan processes anyway. Whether the money offered achieves this desired outcome remains debatable. It would largely depend on how the women themselves understand and use this money. Since 'people distinguish money based on its source' and how it is categorised, poor women are expected to use credit money for the intended purpose (Carruthers and Espelland, 2000:297). Nevertheless it can be argued that these women have found ways to transform the meaning of credit money to suit their own individual and socio-cultural circumstances. This is often not taken well by the micro-credit officials who sometimes express the view that 'women misuse money. They will either invest it in things that are not economically productive or give it to their husbands or play with it', as one credit official stated. On their part, women have reasons that make them use the money as they do.

6.2 MEANING AND VALUE OF MONEY AMONG WOMEN CLIENTS OF MICRO-CREDIT AGENCIES

The previous section looked at how micro-credit agencies view money. This section focuses on their clients' understanding and assessment of money and the implications these views have for micro-credit's perception of money as a tool for economic investment. Micro-credit clients' views of money are important in this study, first because money is advanced by micro-credit agencies as the single most important tool for poverty reduction. Secondly, it is important to assess whether the women involved in informal businesses see money as the answer. According to Carruthers and Espelland (2002), money derives meaning from its source, in this case micro-credit agencies. However Zelizer (1998) argues that this in itself is not sufficient as people are ingenious at finding ways to transform the meaning of money in ways that render it personal, cultural and moral. This implies that it is possible for poor women to transform the meaning of the money they receive to suit their personal circumstances. This became evident during the interviews, when almost all the women I talked to mentioned personal reasons that led them to join either PRIDE or SELFINA, although their underlying goal was to improve their standard of living.

On the whole, it became difficult for these women to pinpoint what encompasses 'economic investment' and what does not. However, many regard their income generating activities as important enough to warrant obtaining credit for, because they bring benefits to their households. The distinction between economic investment and non-economic investment appears to be made mostly by PRIDE and SELFINA officials. During the interviews most of the women mentioned reasons for taking loans to be used in life cycle events such as education, general household maintenance, weddings, grave illnesses, especially surgical operations, and sometimes even death. These women described events of importance in monetary terms, for instance one interviewee described how a neighbour's funeral was expensive as 'they rented ten mini buses to ferry mourners to the cemetery' [by Tanzanian standards, this is extravagant]. It is not uncommon to take up credit for such events and pay it back slowly. They mainly use this save down system because they seldom have lump sums of money to cater for recurrent needs in their lives. Details of how some of the women I interviewed save their money will be discussed in the next section.

It was important to incur the cost for one's loved one as a sign of love and respect. One woman vividly explained this when she gave an example of her sister's funeral by stating that

> 'We, the immediate family, decided to give our sister the best send off we could afford. We divided tasks for supervision amongst the five of us. So we decided to hire cooks, instead of having the local women cook and end up eating half the food in

the kitchen. I was in charge of the catering to make sure everyone had eaten, cleaning the dishes after and storing them ready to be sent back. We also hired utensils; tents to keep the sun off the mourners; we bought the rice, beans and bottled water. For this we ourselves had to contribute whatever each one of us had, and we also relied on the contributions and donations from mourners and well wishers. One of our brothers supervised transport to the cemetery, while a younger sister was in charge of the contributions from mourners and also selling wrap around to be worn by women on the day of the burial. All these things required lots of money and planning. Unfortunately this was happening just as I had taken on a 300,000 Tanzania shillings loan from PRIDE and had used it in buying stock for my business and the rest to transfer my daughter from private to government secondary school because she had passed her Form Two examinations. I did not have much money, so I went to my ROSCA treasurer and asked for assistance. I was scheduled to receive my turn after two rounds at the ROSCA. Fortunately she understood my situation and let me have the money immediately. I was so relieved because I could contribute like the rest of my family, although I know the coming months are going to be tough for me, repaying both sides at once. However, I know my family would have done the same for me, so no regrets. Other relatives thought we were using too much money, but we wanted our sister to have a good burial.'

It is common during many funeral ceremonies for the local women and neighbours to do the cooking and catering to reduce costs and show support to the bereaved family. This particular family recognised the down side of enlisting neighbourhood women's assistance as it is common for these women to take advantage of the situation by taking away food for their own families to the detriment of the mourners. To avoid this tarnishing their beloved's funeral, they opted to hire professional cooks - an expensive solution with better results. It was crucial to them as a sign of love and respect for their departed sister that things go well. They would do their best including getting into debt, to invest in social and cultural events that they regard as important.

The issue of what practices micro-credit clients put money into is highly contestable since these credit providing institutions view money as a tool for economic investment. According to micro-credit officials, it is the profit gained from economic investment that will eventually trickle down to the rest of poor people's non-economic concerns where it then becomes proper to invest the money to address them. One PRIDE client, whose income generating activity is food vending, could not clearly distinguish between economic and non-economic investment. She informed me how she wakes up early in the morning to go to the market to purchase foodstuff for her food business. She returns back home to cook and leaves a portion of the cooked food for her children to consume when they get back from school. She takes the remaining food to the stall to sell. In such a situation she finds it hard to pinpoint and separate what amount of money she actually uses for household consumption and what she uses for her business. She reckons juggling her business with her domestic duties in this way saves time and money, and makes the work easier.

Another interviewee who is involved in a charcoal[2] selling business has a similar point of view. She recounted how she would 'normally carry the dirty laundry with me to my place of work and wash it there. I even cook in the premises; we eat, I do all the dishes, we just go home to sleep.' This woman spends most of her day at work selling charcoal, which incidentally she uses to cook with, thereby not having to set aside a separate amount of money to buy fuel for cooking. Another woman who sells food also mentioned that 'while I am making things for sale, I make breakfast for my family at the same time'. These women's inability to distinguish between money they use for household consumption and business reflects their living situation. They do not have much support in their domestic chores. In order to pursue their income generating activities, they have to find a way to juggle domestic chores and caring for their families with money making. In so doing, poor women have found ways to personalise the meaning of money from micro-credit schemes. Rather than see their income generating activities as a separate activity, they see them as an extension of their gender roles.

Almost all the women I interviewed were involved in income generating activities traditionally associated with the female domain. Most worked in the vicinity of their homes. This enabled the smooth running of their roles as managers and carers of the family, although it has also been argued that the women simply devised their income generating activities around their gender roles because they lack the skills and expertise to do otherwise (Rutashobya, 1998). However, completely alienating them from their gender roles would create chaos in the community as men do not perform domestic chores and there are no appliances to make the work easier. Hence most poor women start off by undertaking income generating activities that will blend in with their gender roles and responsibilities until such time that their businesses have developed further and they can risk change and employ someone to help with domestic chores. Analysing the significance of urban women's contribution to domestic work and managing urban life, (Castells, 1978 in Chant, 2007b:4) observes:

'...the subordinate role of women... enables the minimal maintenance of its (the city's) housing, transport and public facilities...because women guarantee unpaid transportation (movement of people and merchandise), because they make meals when there are no canteens, because they spend more time shopping around, because they look after other's children when there are no nurseries and because they offer "free entertainment" to the producers when there is a social vacuum and an absence of cultural creativity... if women who "do nothing" ever stopped to do "only that", the whole urban structure as we know it would become completely incapable of maintaining its functions'.

Intertwining business and household budgets is a reflection of the difficulty women experience when differentiating between private and public spheres. Income generating activities are perceived to be an extension of their domestic duties. The distinction between public and private is more theoretical than practical as far as women's lives are concerned. These women are active in both the productive and reproductive domains of their lives. The majority of the women I interviewed had to create a balance between their domestic and business work. They managed by devising mechanisms that were individual and particular to each woman as long as they allowed the blending of the two aspects of their lives. The use of money among the women followed more or less the same principles. In many households, women are the managers responsible for all its expenditure. Only a handful of the women I interviewed claimed to attempt to keep the two accounts separate. One interviewee recounted that she keeps a record of all her daily expenditure. This includes 'any business and household expenses like buying household utensils, clothes, and sometimes even food when my husband is short of money. This helps in the household instead of giving my husband a heavy burden while I have a business.' She notes that she always 'makes a point to replace the business money that I use for household expenses instead. I mostly deduct it gradually from household expenses[3] and try to balance the accounts.'

The practice of combining the business account with household consumption could shed light on the meaning the women interviewed give to the money they get from micro-credit. This scenario leads to two separate but connected arguments. The first revolves around the fact that women clients of micro-credit agencies do not distinguish between money and capital because this distinction is not relevant to their world where home and business accounts are not distinguished. To substantiate this, one woman explicitly explained how;

> 'if I get credit of 300,000 [£123] Tanzania shillings in January, I will take 120,000 [£49] Tanzania shillings to pay half of my son's school fees. Of the remaining 180,000 [£73] Tanzania shillings I buy what's needed in the salon to boost my business. Say if I buy 90,000 [£36] Tanzania shillings worth of hair care products, this leaves me with 90,000 Tanzania shillings. However, for school other things are needed such as books, uniform, transport and so forth. There, you have not had unexpected visitors, someone has not fallen sick or other uses, like electricity and water bills. So to spend like this and still be in a position to pay back the loan needs a lot of hard work and creativity because this money is hardly enough. But all-in-all credit money helps a lot at the time when you receive it in a lump sum.'

For this woman and many like her, it becomes difficult to conceive of this money as capital strictly for economic investment for purposes of economic gain, as the distinction between the economic and non-economic is almost absent in the way she handles and utilizes money. The second and related argument is the observation that this distinction cannot be sustained by those in poverty. It becomes difficult for these women to see this money as capital because it passes through their hands rather quickly, no sooner have they received the money than they have already utilised most of it. Poverty makes it difficult for these women to break down and earmark different amounts of money for different uses.

Patriarchy also plays a big role in the way poor women identify their money. In the interviews, it became clear that women saw their economic role as secondary to men's role. One woman reported that 'my business money goes to cater for small issues in the household, say food, household utensils, my daughter's tuition fees and other small things in the house instead of giving a heavy burden to my husband. His money goes to the site, for construction of the house.' It can be argued that the inability to see their money as capital is associated with women's economic role being regarded as inferior. Since their economic role is perceived as supportive, it follows that they cannot regard the money they get for it as important. Capital is associated with money that goes to create big/important things such as a house. As long as women continue to perform their businesses within patriarchal social relations, and micro-credit schemes continue to emphasise money as capital for economic investment, the women cannot treat money fully as capital unless gender relations change.

Micro-credit agencies sometimes understand that their clients use credit money for purposes other than economic investment. Consequently, to avoid losing out on their target group clients, micro-credit organizations led by PRIDE, have designed a credit that is specifically for school fees[4] and other non-economic investment. Rather than insist on their principle of offering money mainly for economic investment, PRIDE decided to take a step towards offering a type of credit which responds to a need that most of their clients can identify with. Although this move may appeal to their clients, it can be argued that it was arrived at from a business perspective rather than the realisation of the importance of their clients' investing in their children's education. PRIDE, like most micro-credit agencies, was losing clients fast; hence measures had to be taken to reclaim the clients who were leaving to seek other sources of funding because their needs were not met by PRIDE, as implied by the PRIDE official. On the whole, this is an interesting issue because it not only suggests that micro-credit agencies focus on their own need to maintain clients first, but also that this phenomenon is the beginning of the transition of micro-credit as a development agency towards it being more or less like a general purpose bank.

Halima's case below shows other meanings that can be associated with money. She is a PRIDE client for whom the meaning and value of money has changed over time. When I interviewed her, she seemed to indicate that she was getting credit, doing business and making repayments but has lost the enthusiasm she once had, despite being a member of two micro-credit agencies.

6.2.1 **CASE STUDY: HALIMA**

'I used to run a small shop before my husband persuaded me to join PRIDE so I could get money to boost my business. I joined; things were going well and the business expanded. The shop became too small so I looked for a bigger place to rent. My shop is now located in Kariakoo. I sell retail products including clothes, which I get from Zanzibar. At PRIDE, I had reached the level of taking a loan of 500,000 Tanzania shillings but unfortunately my younger daughter, aged five, died. I stopped for a while after that and started again later, now I take 300,000 Tanzania shillings. It is mostly used in the business. After my daughter's death, and having no help with domestic work, I decided to employ a boy to help me out at the shop. Besides, because some days I go to Zanzibar to get new supplies of clothes, and I also spend two days away from the shop, someone had to be there, otherwise I would run at a loss. One day I go to PRIDE and the next to the other micro-credit agency (Faulu) to make repayments. On days when I didn't go anywhere, I used to go to the shop, but then we started getting financial loss and the blame game began. I have enough work to do at home as it is. I have my role as a mother and a wife, plus I make cakes and crochet sets to sell at the shop, so I stopped going to the shop often. After our daughter's death, my husband got a regular job with a good salary in the city. He decided we should use the money from the shop and micro-credit to build a house. These days he controls all the money. When I get money from micro-credit schemes, I give it all to him. He in turn gives me money for household maintenance and for personal use on everything I may need. He says that he will give me money for everything I need if I obey his wishes. He wants me to cover up like a proper Muslim woman. Since my daughter's death some members of the family have been saying that it's like we sacrificed the girl to get money because things have been going well. The business is going strong and my husband got a good job, but it's not true, no parent can do that, for what is money without happiness?'

Halima's case is a reflection of the way the meaning of money can change over time depending on circumstances. Previously, she hoped that making money and expanding her business would bring with it an improved standard of living. Although this may have happened, it has also evoked a different dimension to her relationship with her husband. For her, the introduction of more money into her household has translated into misery rather than the improved quality of life she had hoped for. Not only is she grieving about losing her daughter, but also for losing most of the rights to her business and her control over the money that she has put her name to at the various micro-credit agencies.

Halima sees money as being the cause of her intensified isolation. She is isolated from her husband who now controls all monetary matters within the household. She also feels isolated from her business, now that there is someone else running it on a daily basis while she goes there occasionally. She also feels isolated from some members of her family who are speculating about her daughter's death. This example illustrates a situation that could potentially face women who join micro-credit schemes to improve their standards of living. However, it is a situation that micro-credit schemes fail to pick up on due to their focus of improvement of women's lives being largely dependent on money. A client is considered to be doing well every time they move up a borrowing stage after repaying the previous loan. Micro-credit's failure to judge the effect of their money on their clients within a broader perspective is what causes women like Halima who, in micro-credit terms, are doing very well, to suffer in silence without mechanisms in place to review or understand their circumstances.

For Halima money has depreciated in value in her life. Instead of reinforcing what she deems to be the important things in life, it seems to have taken them away from her. In a way Halima blames money for the disintegration in her household when she laments 'for what is money without happiness?' She is of the opinion that the introduction of more money into her family, from her husband's salary, the shop as well as from micro-credit agency, is the cause of the rift in her family. Her husband currently plans and executes all monetary decisions. She even has conditions attached to her right to household money and money for personal effects, even though being a Muslim, her husband should know that he is obliged to provide for all her needs. She claims that, previously she would discuss and plan together with her husband. He would let her travel to Zanzibar to purchase merchandise for the shop, and would trust her judgement. Nowadays all she does is ferry the money from one point to the other. This is causing her to resent money in general. She is of the view that the more money they seem to make, the more unhappy she becomes.

This example shows that it is not necessarily the case that, once a woman has been given access to money through micro-credit schemes, she will be able to improve the living standard of her entire household. This can only happen in cases where the woman is involved in the decisions about how the money is used. Halima's case is one example of a number I encountered where women only act as a vehicle for providing micro-credit money to their husbands, but this does not significantly improve their lives. In fact Halima feels disempowered, her self-confidence and hope for a better future eroded. Halima's case is interesting because, judging by micro-credit standards, she is doing well because her repayments are timely, her business expanding and she is moving up the borrowing scale. She could possibly be used as an example of how micro-credit can help improve poor women's businesses. However, she feels like a failure because she is losing her grip on the important things in her life, and is associating this failure with money. Given poor people's reliance on their social networks, the unhappiness that she is feeling is the message she is likely to transmit to other potential clients.

This is a cause for concern for poor people, who are wary of losing the little that they have, both in terms of property and self worth. Her friends and neighbours will be wary of joining micro-credit schemes for fear of experiencing the same misery, and micro-credit schemes rely on poor women to recruit new members from among their friends and associates. Besides, if the aim of micro-credit is to empower women and consequently improve the living standards of the whole household, there need to be other mechanisms in place for identifying how this empowerment might be achieved, other than giving money. Understandably this might be an expensive undertaking but ultimately it may create the foundations for poor women to respond to gender discrimination.

This section looked at the meanings and values that poor women place on money and their businesses. It showed that these meanings change over time owing to personal as well as social circumstances. Consequently, treating money has though it had the same meaning to all clients is an issue that micro-credit need to rethink. The section that follows looks at the savings, credit and debt mechanisms utilised by some of the poor women I interviewed.

6.3 SAVINGS, CREDIT AND DEBT

No matter how poor they are women have always put aside some money as savings for emergencies and other essentials (Rutherford, 2000). For the poor, emergencies vary - from disease, lack of food, floods to domestic violence.[5] Whenever the opportunity arises, the poor also save for important life cycle events as well as for economic investment. Since they cannot save through commercial banks, they have found other ways of saving convenient to their circumstances. During the interviews, it became apparent that some women earmarked different kinds of money for different uses even though the majority seemed unable to clearly distinguish between the various uses. One PRIDE client who is also involved with a Rotating Savings and Credit Association (ROSCA) clearly distinguished uses for her money by reporting that 'the money I get from PRIDE is mainly added to the business; and the money from ROSCA goes to the specific need I had intended, such as buying clothes'.

Women have customarily saved money informally through Rotating Savings and Credit Associations (ROSCAs). The Swahili term for this is 'Upatu'. This type of saving is interest free, without collateral and uncomplicated. Most of the women I interviewed use it to build lump sums of money. This way of saving has been referred to as 'saving up' (Rutherford, 2000). Because the poor tend to have small and insecure incomes, which they normally spend quickly on basic requirements, they often find that they lack cash in hand when they need it for reasons such as medical help, school fees or paying rent. As such, they need to engage in saving up frequently in order to meet demands for large lump sums of money. The interviewees indicated that women of all ages, social class and standing use ROSCAs. Most women clients of PRIDE and SELFINA also belong to one or more of these ROSCAs. Some used money from ROSCAs to help make their weekly micro-credit repayments and the other way round. It shows that most of the women clients of micro-credit institutions did not rely on only one source of income to make ends meet.

Some of the women I interviewed claimed to utilise the home bank (piggy bank) [the Swahili term for which is 'Bank bubu'] as a means of saving up. This type of saving did not appear to be used by many because it involves a lot of risk. Women's money in the domestic setting is not safe. There are many security issues that women claimed to have had to deal with, such as accidents (fire), floods, thieves, rodents or demands from neighbours, in-laws or even their husbands and children who are aware of the hidden stash. The women who claimed to use this means to save up stated that they used it to accumulate money for short-term goals. Where or how money is saved seems to be connected to the importance it is accorded. For instance, many women did not see money that is saved at home in a home bank as significant, because of its source - the home. Cultural and gender underpinnings reinforce the idea that the home is a place for unpaid labour and therefore of no economic significance. As a result, women take advantage of this fact and manage to accumulate large lump sums. This is achieved over a long period of time and eventually becomes recognised as a vital sum of money because it has the potential to make a change in women's lives. Whereas initially such money was put aside to be used for household consumption, this purpose quickly changes when the sum has accumulated to a large lump sum that can be used for life cycle activities or even for investment. This is a rare occurrence as poor women are usually in need of money and many usually resort to using up their savings and starting over again.

'Saving down' is the term used to refer to the kind of saving where the poor take credit as a lump sum upfront from credit societies, wealthy relatives or ROSCAs and use their savings to repay the loan over time (Rutherford, 2000). The credit women get from PRIDE and SELFINA can be said to be a sort of saving down. The women I interviewed revealed that, because they do not have large sums of money, this forces them to borrow money for purposes of paying for emergencies like health issues, theft or as a result of man-made or natural calamities such as floods. The El Nino floods of October and November 2000 left many poor people without access to their homes in the valleys of Jangwani and Msimbazi of Dar es Salaam. Some of the women also got in debt in order to purchase assets for future investment such as a freezer or a piece of land for future use. Women also take up credit to invest in business. Money is used either to boost their existing income generating projects or to start up new projects; either way, poor women find themselves in need of money to facilitate their aims.

During the interviews, a 'money guard' appeared to be another means used by women to save. This method commonly involved using local shopkeepers with whom they have built a trusting relationship. They take consumer goods from the shops, sometimes on credit, and settle the bill later. Sometimes they deposit money with the shopkeepers and take the items they need from the shop, while the shopkeeper checks off the items against the money until the entire amount has been spent. The women claimed that such a method is helpful to them because they do not often have ready cash. This helps offset the days when business is bad. Those that only use shopkeepers as money guards claim to make small regular deposits which stay with the shopkeeper until the owner feels ready to use the lump sum for the intended purpose.

Another interviewee, whose business is food vending, recounted how she uses a combination of several means of saving to make her business work. She is a member of PRIDE and is also involved in a ROSCA in her neighbourhood. She conducts her business away from home and here she uses the money guard method at the market where she buys meat and other ingredients for her cooking. She deposits money beforehand or takes the things required for her recipe like meat, rice and cooking oil upfront, cooks and sells the food. After collecting money from her customers, she takes it to the butcher and other shop owners to pay for the things she had taken earlier. She claimed that juggling a network of financial sources this way enables her to get by. A few other women involved in small-scale trading acknowledged surviving in their trades using very similar techniques. One woman warned that sometimes it gets difficult to concurrently balance the network of financial sources. When a woman reaches this stage, her advice would be 'to quit as soon as possible; otherwise it is easy losing one's integrity and end up in huge trouble'.

The interviewees stated that pawnbrokers and moneylenders are the least popular methods that they use to save. This is mainly because the majority of moneylenders lend money at high interest rates. Only a few women who had accumulated some jewellery through inheritance, marriage or as a reasonable investment and had no other quick option of getting money used pawn brokers. They would exchange the jewellery at the goldsmiths and silversmiths for an equivalent cash value as it stands at the current market value. The exchange is done over an agreed time frame of repaying the money with interest, failing which the pawn brokers can legally sell the jewellery. However, one woman explained that 'this is an option to be used only when all other means have failed or in times of emergency'.

Another interesting system of saving which some of the poor women I interviewed use is borrowing small amounts of money from each other. This could be anything from 500 (approximately £0.25) to 1,000 Tanzania shillings. Interestingly, such borrowing is done where the borrower may have some money, usually a larger sum of money such as a 10,000 Tanzania shilling note they may not be willing to use at that time. They would borrow a smaller amount from friends and neighbours indicating that they have a large bill note and promise to pay them back later. Some of these women revealed that borrowing small amounts is a test. The aim is to see how the other person will react, hence test their trust and ability to help others. Borrowing is done deliberately in order to be indebted to another person with the hope of reciprocating at a later date. They claim it is important to rely on others from time to time, even when one is not really desperate, the understanding being that vulnerability is a sign of humanity. It is commonly said that 'debt is not a crime and a person in debt is never jailed', further encouraging the poor to go deeper into debt.

This sort of borrowing is based on a different kind of understanding from that used by micro-credit agencies. Micro-credit agencies use trust as a pre-condition for giving credit. Clients have to go through certain processes after which, when the micro-credit agency is satisfied that they have fulfilled all the criteria of trust, they are given credit. With this other sort of borrowing credit/money is used to build trust. Here, women borrow money in order to foster a deliberate trusting relationship with the other person. This understanding is in sharp contrast to that of the micro-credit agencies whereby trust is established before the money is issued, rather than money being the vehicle through which trust is nurtured.

In summary, these examples show the complexity of the saving and borrowing strategies that poor women use. First, they show that the capital/money distinction can never be made neatly as assumed by micro-credit agencies. Secondly, that micro-credit schemes cannot treat the money they give their client's in isolation from other monies. Thirdly, the picture that emerges is of a complex and insecure structure of different monies, institutions and social networks. These strategies link everything, from shopkeepers to relatives and neighbours to banks showing how, in the real-life experiences of the women, money is complex, fragmented, problematic and embedded within social relationships.

In emphasising the importance of the complex financial mechanisms they use to ensure their survival as micro-credit and ROSCA clients, one interviewee fully explained the devastation that befell her when things took a wrong turn. During the interviews, it became apparent that these poor women often rely on multiple loans, either consecutively or on alternate basis, to run their affairs smoothly, and they also juggle between loans and savings. Ngina's case study below illustrates the complex way in which a poor woman's business decisions and monetary practices are made and the effects when things go wrong. Ngina uses a combination of monetary sources including micro-credit agencies, Rotating and Savings Associations (ROSCA) and savings from the rent of her kiosks and charcoal business to rotate between loans and ensure their repayment. It also shows the interplay between the different forms of credit and savings commonly used by women to survive both as businesswomen and as micro-credit clients.

6.3.1 **CASE STUDY: NGINA**

Ngina is a businesswoman involved in buying and selling dry food stuffs, such as cereal and grains. She also sells women's clothing, shoes and handbags; she also has a charcoal-selling kiosk. She explains that, 'I have always depended on juggling loans between two or more sources (not allowed, but we do it) to ensure my survival in business. However, I once joined a micro-credit scheme that does not stand up to its name. Being accustomed to PRIDE, I thought this micro-credit scheme would work just as well and that I would be fine as long as I followed the rules. Although I had gone through all the required credit procedure, I could not get the money I was promised in time, and using my experience from PRIDE, had made the mistake of ordering merchandise (red kidney beans) worth 400,000[£164] Tanzania shillings from a Masai man from Arusha. I was instructed to go to the bank to get the money. This particular micro-credit scheme gives loans at the bank and not at its premises like PRIDE. When I arrived, there was no money, as it had not been deposited. The credit officer had either not signed or taken my slip to the bank so I could not get the money. Worse still, the merchandise from Arusha had arrived in Tandale (the food and grain market in Dar es Salaam) and the driver wanted me to pay so that he could unload and be off on another errand. I did not have the money. Everything was in such disarray, the Masai man cursed me for ruining his reputation and so did the lorry driver and I felt very humiliated. I finally got that money four weeks later than originally planned so I ended up using it on something else. To sum up, I suffered a loss. At home I have kiosks, which I either rent out or use myself. One kiosk that I used to cook and sell food in I now rent out for

15,000 Tanzania shillings a month. The other one is a shop, which I also rent out while I sell charcoal in the third kiosk. Originally, I had planned to use the merchandise from Arusha to reclaim one kiosk for my own businesses instead of letting it. As an alternative plan I bought cheap maize flour from Iringa town. It took time arriving and came at a bad time, in December when there are lots of ceremonies and most people buy rice. So I sold at a loss to such an extent that I could not even recover the money for its transportation. To this day I am still paying this debt, all because of the negligence caused by a credit officer. She played a bad game with me, always asking me to come back tomorrow while she knew I needed the money to invest in my business. This is why, from my experiences with micro-credit agencies, I can say only PRIDE outshines the rest. They are organised, systematic and mean it when they say one will get their credit even though they have a high interest rate.'

Ngina's case exposes the complex way in which some women have to juggle monetary sources, and the significance of trusted interpersonal relationships that some of the poor women rely on in order to improve and run their businesses from day to day. Ngina has to choose carefully between these monetary sources to ensure that her business plans go right. When there is a problem with one source or there is a delay in receiving the money, the danger of her business plans going wrong are very real, and can have negative effects on her other business plans and decisions. She uses more than one credit scheme, even though she acknowledges that it is either not allowed or is discouraged by micro-credit institutions. However, since she has her kiosks as some form of back up, she feels able to take the risk. She states that she has to take multiple loans for practical reasons, because sticking with only one credit scheme delays one's business expansion. By taking credit from more than one source, she was gambling and hoping that the combined effort would help boost her businesses and financial returns. This would in turn enable her to expand her businesses and allow her the opportunity to do other things for her household.

Ngina was frustrated that the delay caused by the credit officer which cost her financially and put her reputation on the line. As previously noted, poor women rely on the support and help of their social network. It was this social network, which enabled Ngina to make the plans of transporting merchandise from the towns of Arusha and Iringa to Dar es Salaam. She was very disappointed with the credit officer's mistake, which caused her great loss financially and socially. She claimed to have lost the trust of her social network. In poor women's view, this is catastrophic and has far more wide-reaching repercussions. Preserving one's reputation is clearly crucial for their survival both within business circles and beyond, because they rely on reputation much more than they do on money alone. Their reputation is also important within micro-credit schemes especially for securing a bigger loan, as a client's credit history and reputation are heavily emphasised then. A client with a poor credit history and reputation may not be recommended for a bigger loan.

In most cases they draw on their social networks for support with information on how things are done, where to go, who to approach on particular matters, both financially and otherwise. Micro-credit agencies have realised the crucial role that social networks play in poor women's lives. The agencies have resorted to using these social networks to promote their services, especially when micro-credit staff emphasise that the agencies do not need to advertise themselves in the newspapers because they rely on their existing clients to promote their services to their friends, neighbours and relatives. Ngina sums her case by stating that 'to this day I am still paying this debt. Not only I am paying financially but also in terms of my social standing. For us poor women money shortages are easier to fix than a shattered reputation.' This case highlight the damage that micro-credit agencies can cause to their clients, intentionally or unintentionally. It is easier for these agencies to fix the money problem by simply recruiting new clients, but when a poor woman's reputation is shattered, the repercussions are dire and sometimes leave the woman worse off than before.

This section reviewed the various methods that the poor women I interviewed employ to save and borrow money. It also used Ngina's case study to highlight the complex ways that some of these poor women make monetary and business decisions, as well as the multiple financial sources used to survive in Dar es Salaam. The next section looks at money in the domestic context.

6.4 DOMESTIC CONTEXT OF MONEY

Poor women are the managers of their households and are responsible for day-to-day household expenditure (Parry and Bloch, 1989; Sweetman, 2001;

Momsen, 2004). While there are variations, it is common practice for men to give women money for the daily/weekly food and household expenditure in Dar es Salaam. In turn women are responsible for budgeting and using the money in the best way possible. They plan and prioritise with a minimum amount of money, trying to make it stretch to provide the daily requirements and occasionally even to save. Women may be in charge of this money but they do not see it as their own to use as they please. Some of the women that I interviewed stated they were creative with food ration money. This money has acted as a basis for women to channel means of making their own money. Some of these women accounted how they 'saved bits of the food ration money in a home bank and when it had accumulated to the intended amount, I joined PRIDE'. Another woman stated that 'I saved money daily and used it to join a ROSCA in my street'. Some even 'use it to add on to the money for repayments'. Another interviewee claimed to 'save some of the food ration in order to buy myself things I need like wrap-around cloths. My husband gives me a pair on Eid celebrations. Imagine! two pairs of khanga a year, so I needed to find a way to buy myself some to avoid ridicule.' Yet another woman claimed to 'accumulate this money and use it to buy household utensils'. The saved money can therefore have a positive effect, such as enabling the poor women to buy necessities for the household or join a Rotating and Savings Credit Association (ROSCA). However, saving money from an already small ration can have negative consequences on the household; for example, the diet may suffer because money meant for food has been redirected elsewhere, which can affect the health of the family. When the saved money is used to buy clothing and cosmetics, the effects can also be negative for the household as the pressure to keep up with the latest fashion could lead to the neglect of other household responsibilities.

One interviewee strongly emphasised the importance of holding back some food ration money: 'when I told my husband I wanted to join PRIDE he objected. I joined secretly and used the money saved from the food ration for repayments. When he was made redundant at his office and had no money even for the daily food ration, I started helping out with the savings I made from PRIDE. When he asked where I got the money from, I told him about PRIDE. He did not stop me again.' Although to begin with interviewees did not see food ration money as theirs to use as they wished, they have found ways to reshape its meaning. The small amount of money that they save from the food ration money is then seen as 'their money' to use as they determine. Most of the women I interviewed indicated that they have used this money for emergencies, to join a ROSCA or micro-credit schemes or for clothes and food. It could be argued that this is largely because the money accumulated from the savings from the food ration is to come from these women's 'Ujanja' and hence they have the right to use it as they please. In a way this gives them a certain sense of power over it. One woman explained that it 'takes a great deal of mathematical scheming to be able to save some money at the end of the day. I am not given a lot of money but I have to save nonetheless.'

In Tanzania men are responsible for taking care of and providing for their families. Since the late 1980s, this has proved difficult due to redundancy and widespread unemployment and effects of Structural Adjustment Policies (Tripp, 1989). Even though women acknowledge that it is the man's job to provide for their family, they realise that it makes economic sense to help out. As one woman candidly put it 'these days we help each other. Just imagine a life where you are totally dependant on a salary of say, 120,000 [£49] Tanzania shillings? With this you have to pay rent, school fees for the children, eat, pay the husband's younger brother's fees, send some money back home to his mother, for medical expenses and buy you things you need. It is not possible to live entirely on a salary.' Urban living therefore forces women to engage in income generating activities and be good money managers. However, as noted previously, now that women play a greater role providing for their families, some men are neglecting their role of providing for the family. This additional responsibility places a heavy burden on women's shoulders. Not only are they responsible for managing the household and their income generating activities, they also have to provide for their families. This is a setback that poor women had not predicted or prepared for. Micro-credit schemes do not address or prepare women for negative outcomes, they focus only on the positive outcomes of women making and having money. Some of the interviewees commented that they are not well equipped to deal with negative developments.

Some poor women have had to resort to creative means to enforce men's participation in providing for the family (see Zelizer, 2005). Many interviewees acknowledged using trickery (Ujanja) if need be to get money from their husbands or partners. Many claimed that using their children as bait where issues like school fees, school uniform, tuition fees or medical expenses always seemed to work. They were of the view that without using tricks to get money from their spouses, none would be given because they are running their businesses and therefore are considered to have money. One of the women I interviewed stated that when her husband wanted money from her income generating project, she told him that the micro-credit agency 'will take away all our possessions so that we and the children sleep on the floor, if we fail to repay this money by next week' which scared her husband so much that he never asked for money again. This is a new approach that the women I interviewed have had to learn from their experience of involvement with micro-credit agencies and income generating activities. They have had to be firmer with men who do not honour their role of providing for their families. They use 'Ujanja' to either make them fulfil their role or to prevent them from taking money from them.

Not only are women managers in their homes but they are also the main carers of their families. This means they are responsible for domestic expenditure in terms of buying, spending, saving and planning. These women need money for costs that remain unnoticed and unaccounted for because they are considered trivial, such as medical expenses, tuition fees, transportation and small gifts for their children. This is the money that some women have to find either through saving up from the household food ration expenditure, or from micro-credit schemes. It is the money that micro-credit officials have accused women of 'misusing', or 'playing around with'. These expenses might not amount to economic investment but are very dear to women's hearts hence they risk 'investing' in them. Micro-credit schemes need to realise the significance of this side of their clients' monetary practices since alienating themselves from their client's reality is not doing them many favours. One woman bitterly observed that, 'as long as they [micro-credit officials] sit behind a desk and have a salary, they think everyone is as contented'. She was unhappy that micro-credit officials did not appreciate the hardships in poor women's lives. She specifically accused these credit officers of ignorance because they are assured of a salary at the end of the month, while poor women have to struggle both to get and make money.

Some of the interviewees claimed that there are a number of domestic practices that involve money directly. One of the interviewees mentioned the birth of a newborn baby as a happy time for the household. She observed that 'once an expectant mother has safely given birth money is spent on buying the baby's things' [these things are not bought in advance due to high infant mortality rates in Tanzania]. This interviewee went on to state that 'it is almost a traditional obligation for family and friends to give money to a new born baby the first time they hold the baby. It is considered culturally inappropriate for someone other than very immediate family members to hold a newborn baby for the very first time without giving it money.' This example shows that money is given as a present to maintain good social relations. It also shows that poor women need to have money for such occasions and it is money that is not entered in the discussions of the household budget despite being an important domestic monetary practice.

Among the poor women I talked to in depth, it was almost a universal phenomenon within their domestic setting to invest a considerable amount of money in children's education. They reported that they did this because they realise the importance of an education even though they did not get a chance to be educated, either because their parents could not afford it or their parents did not consider educating a girl important. Girls are socialised to be married and move to another family, which will then reap the benefit of their education (Omari, 1991). Many of the poor women I interviewed insisted on investing in their children's education as a long-term old-age investment. They believe that education is the main resource that their children can benefit from, since they have no other resources or assets that their children are likely to inherit. These interviewees consider education to be the only weapon that their children could use to combat poverty, since only those with education have prospects of improving their lives. They wanted to give their children the best possible opportunities to help them move up the social ladder and be in a position to help their parents live comfortable lives in their old age. It is customary for grown children to look after their parents throughout their lives and especially in old age in Tanzania (Biermann and Moshi, 1997). From these interviewees' examples, it can be argued that money spent on children's education can be understood as long-term investment whereas micro-credit agencies are focussed on short-term income investment.

Although these women seem to understand the value of education and are trying to make sure their children benefit, in practice however, there still remains less importance paid to a girl child's education. This is evident in the way some of these women reported that when they get an emergency that requires them not to attend to their business for the day, they usually employ the help of their daughters who may sometimes have to cut school in order to help out. Besides, due to the nature of the division of labour within the domestic setting, girls end up with a heavier burden of domestic chores to perform. These may interfere with a girl's time and effort devoted to her studies, hence may lead to poor school performance by girls. A girl's poor performance in school may contribute to the parent's unwillingness to pay for private education for their daughter or incur extra expenses towards her tuition which may help improve her chances. As a result, girls end up dropping out of school earlier than boys even though statistics show that at the point of primary school enrolment, there is more or less an equal number of a boy and girls who are enrolled (see Ellis, et. al. 2007). To correct this, the government of Tanzania has adopted gender equity as a target for improving secondary schooling in its secondary education master plan.

It can also be argued that a number of the poor women I talked to use the meagre resources that they do have to get by, and in some cases improve the livelihood of those under their care. Even though gender relations act as an impediment to women's realisation of their full potential, they still prove that they are ingenious in transforming money into more useful forms that can be improve their living circumstances. This is a positive outcome for poverty reduction, which proves that if poor women's reality be understood and steps are taken to work through their conditions rather than ignoring them, strides could be made towards relieving the poverty of many households.

CONCLUSION

This chapter has explored the diverse meanings and strategies by which women interviewees and micro-credit agencies relate to money. As a social entity money means different things to different groups of people: for example, micro-credit agencies see it largely as capital while their clients do not necessarily share this view, or contextualise it within a larger social landscape. The case studies and views of some of the interviewees have shown that money can be more than just a medium of exchange or capital; it carries social meanings and implications that are non-quantifiable. The poor women I interviewed revealed how complex, fragmented and embedded within their social networks and relations monetary practices are. For micro-credit agencies to succeed in using money as a medium of changing their client's lives, they have to take up the issues that they have overlooked which act as a hindrance in addressing their clients' sense of economic and social reality. Simply having access to financial services does not in itself give the poor women I talked to the power to negotiate or significantly influence household decision making or gender relations, because there are many underlying issues which influence monetary practices both at the household and market levels. Since micro-credit and poor women have divergent outlooks on the most effective ways in which money needs to be played out, the prospects of poverty reduction or indeed empowerment seem remote. The next chapter reviews the challenges some of the women face in their pursuit to become real 'Wabongo'. It describes in detail the social and cultural aspects of urban living specific to Bongo land which shape women's response to money and poverty reduction.

NOTES:

1 Poor women have always saved long before the introduction of the micro-credit schemes. They probably did not save in the form that happens nowadays with micro-credit, nevertheless women have always found ways to save such as 'Upatu'/ROSCA (See Rutherford, 2000 and UNDP, 1995).

2. The government of Tanzania has abolished charcoal burning and selling lately in response to environmental protection. This has not been received well among the majority of the population. There are no alternative cheap sources of fuel.

3. Women were caught in a dilemma. On the one hand they 'believed' it was a man's job to provide for his family as is traditionally expected, on the other, making money themselves, men seemed reluctant or stopped providing money for household expenditure. Whenever possible, women made men pay for the neglect by devising clever ways of getting money from them. A term commonly used is 'chuna' literally meaning 'to skin' the man.

4. The PRIDE-Magomeni branch manager informed me that this was a ground breaking initiative. If the new changes succeed in Tanzania, then it is likely that other African countries will also introduce them. These changes, however, seem to divert attention from micro-credit for development and poverty reduction purposes towards bank services.

5. Domestic violence is a major problem for women in Tanzania although many cases remain unreported. Women have often been severely hurt, sustained permanent disabilities or died from battering at the hands of their spouses or male relatives. Women have resorted to using the secret store of money they have saved to get transport to hospital, relatives or police station. These savings are also used to purchase over-the-counter medication.

CHAPTER SEVEN

PROPER 'WABONGO': POOR WOMEN'S TRANSITION TO BONGO LAND

7.0 INTRODUCTION

Migrating to 'Bongo land' was perceived by many interviewees as a chance to escape the heavy farm labour, unemployment, poverty and boredom in the rural areas. However, their mobility was generally restricted by social and cultural constraints of gender (Sommers, 2001; Bryceson, 1993; Geiger, 1997). Women needed a relative, friend or patron with urban connections to assist them in making the transition from the rural areas to Dar es Salaam. Bongo land and Dar es Salaam will be used interchangeably throughout the chapter. As mentioned previously in Chapter Five, most of the poor women I interviewed migrated in search of a better life. The prospect of making money to improve their circumstances and those of their families tempted women just as it did men to Dar es Salaam. Although women were late arrivals to Dar es Salaam, they were not slow to learn about the city and adapt to their new surroundings. During the interviews it emerged that a majority of the interviewees are either migrants themselves or their parents migrated from rural areas. Some could even remember their first journey to Bongo land[1] and the anxieties they felt upon beginning a new life in the city. Most of the poor women reflect on the meaning of their present lives in 'Bongo land' as opposed to rural life, and are encouraged by their accomplishments so far.

Having looked in previous chapters at some interviewees' experiences of poverty and their attempt to address their circumstances by starting businesses in the informal sector, this chapter now goes on to try to understand the women's response to money and business. It examines the social and cultural transition that some of the women experience as they attempt to settle into life in Bongo land and how this transition shapes the way they respond to money and poverty. It reviews the women's struggles and challenges as they attempt to fit in and become proper 'Wabongo', by shedding their 'bush' [rural] characteristics. Understanding this process is important in this thesis because it illustrates the contradictory meanings of money in rural and urban social conditions. This is essential as these poor women's commitment to rural traditions and social obligations influences how they approach and respond to money matters within the urban framework of micro-credit schemes and income generation. This is because 'Wabongo' [people who live in and have acquired the shrewd and cunning qualities associated with Bongo land] believe that rural people are naïve and lack the 'Ujanja' (crafty and smart) qualities necessary for survival in Bongo land. 'Wabongo' therefore are those urban dwellers who have mastered the shrewd, must-have art crucial for survival in Bongo land. The process of becoming 'Wabongo' is complicated for poor women in particular as they enter the race while disadvantaged by issues such as society's attitude towards 'women' in general, poverty, low levels of education and the harsh reality of city life.

The chapter therefore evaluates interviewees' struggles with rural traditions and social obligations on the one hand and their attempt to become proper 'Wabongo' on the other and reconcile micro-credit agencies and their income generation and survive in the urban area. In so doing, it reveals the significance of social networks that influence income generating activities, an aspect of poor women's lives that previous chapters have stressed is overlooked by micro-credit agencies. The agencies assume that they are giving money to poor women who independently make decisions about how to invest it and reap the benefits. Understanding poor women's quest to be 'Wabongo' is also essential to this thesis because it highlights the ambiguous environment that micro-credit schemes operate in within Dar es Salaam, and reveals just how well or ill informed about their clients' predicament micro-credit agencies are.

This chapter is divided into four sections. The first section examines the necessity of becoming proper 'Wabongo' for poor women. The second section looks at the cultural predicament that some of these women face in their quest to become proper 'Wabongo'. The third section mainly looks at the social role change that some interviewees have had to grapple with as a result of urban living. The final section reviews the social and moral context of money making in which some of the women operate.

7.1 TO BE 'WABONGO': NECESSARY OR OPTIONAL?

This section aims to point out the importance of becoming 'Wabongo' for the women I interviewed who moved to Dar es Salaam in search of a better life.

It also looks at the role that social networks play in the women's attempt to establish their businesses and survive in the city. Mage's case study illustrates the importance of social networks in blending in and becoming proper 'Wabongo'. The case study shows that without the assistance of a complex and social network to back them up, poor women trying to make it in Bongo land face difficulties in making a success of their lives. Studies on rural-urban migration in Tanzania have tended to focus mainly on male migrants to Dar es Salaam (Bryceson, 1993; Kaijage and Tibaijuka, 1996; Sommers, 2001). Some of the studies that have looked at women's migration to the urban areas suggest that women migrated to urban areas for social and cultural as well as economic reasons (see Larsson, Mapetla and Schlyter, 1998; Tripp, 1997a, Tripp, 1989). One interviewee who migrated to Dar es Salaam from Iringa stated that 'after completing secondary education, I moved to Dar es Salaam to look for a job and help my parents as there were limited options in the village'.

The perception of Dar es Salaam is that of most favoured destination, a place of opportunity where women go in the hope of 'making money' and sending remittances back home to the villages to help those they have left behind. This was confirmed by another interviewee who said, 'I have to send money back home to my mother to pay for my younger brother's school fees and other expenses'. Cash remittances are sent back to relations who had to make sacrifices to enable these women move to Bongo land either by taking care of their children or doing the additional work that remains to be done after their departure. One of the women I interviewed stated that she 'had to leave my two daughters under my mother's care. So I have to work, get money and send it back to them.' She was of the view that 'bringing the girls would have been an inconvenience, since I didn't know how life would turn out, how long it would take to get work or start a business in Bongo land'.

Women's move to the city had implications for their social status. It was perceived to elevate their social and community status above those they had left behind. However, upon arrival, these women were not proper 'Wabongo' yet, and so did not fit into the Bongo land fabric. They had brought along a baggage of traditional practices and beliefs that they knew and practised. The process of transition required time. The women were desperate to lose their rural habits in order to benefit by becoming 'Wabongo' and being able to make money.

One mother of three decided to move to Dar es Salaam 'after my husband went to live with another woman with whom he had a child. As I had no job or money to provide for my children, I decided to come to Bongo land to try my luck.' Yet another interviewee mentioned that she moved because 'I followed my husband who had preceded me here. I don't like Dar es Salaam and would like to return to the village one day, but the problem is there are no jobs there and neither can small income generating activities like this one [selling food] earn you good money like here. Money circulation is very rigid there.' This woman was referring to the relative ease with which cash flows in the urban setting as compared to the rural areas, stating that even as she preferred rural life in some aspects, at least in terms of making money, the urban environment appeared more conducive. These cases reveal that the decision to move to Dar es Salaam was precipitated by economic as well as social factors, among others. Women took the initiative to move as a step towards improving their living or marital circumstances. It was a risky decision they were willing to take for their family's sake. The potential of making money and consequently improving their lives was considered the primary 'pull' factor for moving to Dar es Salaam, having been 'pushed' by excessive poverty in the rural areas, as is evident from the woman who moved to join her husband.

Mage's case, in which her move to Dar es Salaam was precipitated by a failed marriage, illustrates the challenges she went through in her attempt to be a proper 'Mbongo' [the term 'Mbongo' is singular whereas 'Wabongo' is plural]. Mage got free accommodation at her parent's home but still had to earn money to provide for her children and her sick mother, pay water and electricity bills and medical expenses. This case demonstrates the importance of social networks in surviving and taking care of their children[2] in Bongo land and the significance of making money in the process.

7.1.1 **CASE STUDY: MAGE**

Mage was born in the countryside but came to Dar es Salaam with her parents as a child. After marriage she moved to Mtwara[3] with her husband but after two-and-a-half years returned to Dar es Salaam following the collapse of her marriage. A separated mother of two, she now lives in her parents' home and single handedly takes care of her children as well as her parents [her mother paralysis semi-paralysed and is diabetic]. Here is her experience:

'My first job in Dar es Salaam was at a salon with a salary of 2,500 Tanzania shillings a month. The salon belonged to my mother's friend; that is why she took me in even though I did not have much experience. Transport used to cost 30 cents by then (early 1980s). All my expenses had to be met using my salary. These included food, clothing and medical expenses for me, my two sons and my parents. Thankfully, I was living rent-free in my parents' home. Meanwhile we would make around 8,000 Tanzania shillings per day for the boss, only to be paid 2,500 per month. It was not enough so I decided to start saving and buying salon items one at a time until such time that I had enough items to begin my own salon, then I quit working at the salon in 1985. I opened my own salon at my father's premises where my business is still housed to this day. At that time there weren't many salons in Kijitonyama, this was at a time when I didn't even have electricity in the house. All the same, by as early as six in the morning, clients would start coming to have their hair fixed. I would apply curl or straighten a client's hair, wash it and put rollers on and ask them to go away and sit in the sun until their hair dried, but I was so grateful that clients would still come to me. I saved the money I made and later used it in a rotating fund (ROSCA). There was waste ground near our house, so I would wake up at 4.00 in the morning and make a vegetable garden, so even when I went to work at the salon, my mother would sell the vegetables and put my money aside for me. When I returned home, I would store the money in a 'Kibubu' (home bank) and would use it to improve my own salon. For me the need to start my own business came as a result of the hardships I encountered while working at the Magomeni salon as well as my experiences as a single mother living in Dar es Salaam. You know there's a saying that without the help of others, one cannot of their own accord know and succeed in anything!'

Mage's case is an example of poor women's process of becoming 'Wabongo'. It illustrates the importance of social networks for poor women who migrate into Dar es Salaam with the intention of settling and being proper 'Wabongo'. These social networks vary from friends, relatives, faith-based groups, neighbours or acquaintances from their village or parents. As has been discussed in Chapter Five, the residential pattern that these settlements followed were not only class based, but also followed ethnic patterns (see Lugalla, 1995). People from one region of Tanzania tend to settle in areas where others from their village live, and learn and undertake similar income generating activities. Mage, just like most of the women I interviewed exhibited economic and emotional vulnerability. Once the issue of residence is settled, most of the women usually take the next step of learning a trade or skill that they will use as a basis for their income generating project, as most lack skills or educational qualifications to obtain formal employment. The skill is learnt from their immediate social network such as relatives, friends, neighbours or workmates. In Mage's case, the Magomeni salon was the apprenticeship that offered her the opportunity to learn the skill of hair dressing [she only had basic knowledge of braiding hair]. The rest of the skills she learnt on the job. Once they have learnt a skill they move on to the next phase, of saving, which will enable them to start an independent venture in Bongo land. It is usually at this point that, after gaining experience and acquiring some savings, women join either ROSCAs or micro-credit schemes to boost their businesses.

Poor women rely fundamentally on their social networks to enable them to settle in and 'make it' in Bongo land. They rely on these networks to provide them with business information; for instance Mage was able to get the job at the Magomeni salon because the owner was her mother's friend. Social networks are crucial to the women, who do not get information from public media sources because they do not buy newspapers often, hardly listen to the radio or watch television. Apart from that, micro-credit agencies like SELFINA and PRIDE do not advertise in any of these media. It can be argued that these micro-credit organisations have realised the significant value that poor women place on their social networks and hence they too rely on them to spread information about their services to potential clients. They encourage their clients to advertise their services to their fellow women, as shown in Chapter Four. The interviewees remain faithful to these social networks for a long time in their pursuit of money and becoming 'Wabongo'. These networks shape the nature of the path they follow in their attempt to make money.

As noted above, most of the women I interviewed learnt how to conduct a particular income generating activity from a source within their social network. These social networks also acquaint them with the procedures of the activity, the clients, the language and the market. This is demonstrated by the way Mage went about establishing her own salon. First she learnt about hairdressing, then where the equipment and products for the salon are sold, and finally when she was ready to venture out, she told some of the clients at her old salon about her new salon and asked them to come along and bring other clients as well. There are various reasons why many women retain the same trade for long periods of time before they can accumulate enough resources to pursue new projects. These include the low amount of capital at their disposal, lack of adequate skills, including entrepreneurial skills, limited time, owing to domestic chores, and low education levels and capability.

Although Mage's case reflects the process undergone by many poor women migrants into Dar es Salaam, it is not to say that they all necessarily follow the same route. They all rely on social networks to help them settle into 'Bongo land' without a doubt, as they have left their immediate family members in the rural areas. Mage's case is rather exceptional in that she came to Dar es Salaam to be with the parents she left behind when she married. Similarly, not many poor women have the opportunity to learn a new skill as Mage did at the Magomeni salon. It can be argued this is the main reason why most women are involved in making and selling food, an area they are familiar with from their domestic responsibilities. By making and selling food, they make money doing what they would otherwise do for free in the privacy of their homes. Micro-credit agencies give credit to these women without necessarily creating a platform for them to learn new skills or improve on the ones they have. There is limited skills training in micro-credit schemes. PRIDE mentioned offering some sort of training only to a selection of their clients, who have to pay for the service. This further discriminates against the majority of poor women. SELFINA and PRIDE both run seminars that offer some form of training to some of their clients.

Mage's salon business is a reflection of how income generating activities are run among some women migrants in Bongo land. They are always run on familiar and safe ground with only minor necessary modifications. Mage has not made any major changes to her business since she started. It continues to be run from her parent's house, a factor common to many of women's businesses, which are mostly tied to the home and allow little room for expansion. The only improvements that Mage mentioned she had made, in a period of more than ten years, included 'painting the walls, installing electricity and water and a sink, changing the plastic floor carpet and buying big mirrors for the salon'. She has employed one other person to help her out in an emergency and on days when she has to make repayments to her micro-credit agency. On the whole she is not able to expand her business because her capital margin is minimal and the amount of money needed to take care of other running costs is high. In addition, these businesses lack the necessary expertise required to make major changes in the absence of a broad knowledge base as discussed in Chapter Five. Most of these businesses are localised, having learnt from a rather restricted local social network of friends, relatives, neighbours or local faith-based groups. As such, when more experienced or better equipped businesses are opened in Bongo land following the country's open-door policy, these small businesses run the risk of closing down.

Most of the poor women I interviewed described the financial situation in Dar es Salaam in the new millennium, when compared to the mid 1980s, as having changed drastically. They claimed that in the 1980s money was much easier to make and save. Informal businesses were flourishing and in some ways more profitable than waged employment (see Tripp, 1989). Many of these activities were meant to supplement wages and even where it was the household's sole means of income, business was good. By the mid 1990s, however, the informal sector was overcrowded by many poor urban dwellers. Some of the new entrants were the people who, due to the SAPs, had been made redundant, while the rest were migrants from the rural areas looking to cash in on Bongo land. By 2004, (the year of PRIDE's tenth anniversary) the cost of living had gone up, social services were struggling to cope with demand, and money was not as easy to make or save. Interviewees agreed that they have to work twice as hard just to make ends meet let alone fit in as proper 'Wabongo'. In earlier years, taxation was also more relaxed, unlike the present where tax is an issue that troubles them. In addition, they felt that now there was more competition for customers and business ideas than there had been in 1980s.

In highlighting the significant financial changes of the time, Mage claims she had to quit her ROSCA, because she could not afford both that and micro-credit schemes concurrently. The pressure of maintaining both schemes was making her anxious about losing face in her neighbourhood should the temptation to borrow money from her ROSCA to pay her micro-credit scheme become too much. To avoid compromising her social networks, she decided to quit as ROSCA treasurer. Moreover, the local government reclaimed the empty land she was utilising to grow and sell vegetables, so she lost the extra income. Most poor women in the process of becoming 'Wabongo' are left feeling more vulnerable now than they did back in the mid 1980s to 1990s due to the changes in policies and the cost of living in Bongo land.

Upon their arrival in Dar es Salaam, these women were mostly received by or accompanied by male hosts or relations who naturally protected them for a while as they acclimatised to urban life. Consequently it took them much longer to be proper 'Wabongo' because their main contacts were with a limited number of people, usually within the confines of the family and household. After spending some time in Dar es Salaam, many women discovered that the reality of living in the city is different from what they had previously imagined. One interviewee put it thus: 'after looking for work unsuccessfully for two years, I started doing small business with some starting capital from my brother'. Most of the women I interviewed could not find the jobs they hoped for. So they compromised by starting their own businesses in the informal sector. The women could not penetrate the formal sector owing to their deficient education and commercial skills, their childcare responsibilities and their traditional concepts of femininity.

The earnings in the informal sector are meagre, and therefore could not cater for all their needs. This is the reality of living in Bongo land, quite unlike the fantasy they had that moving to Dar es Salaam would solve their monetary problems. If anything, they were confronted by different set of poverty issues. One respondent recalled, 'in the village you can eat even when you don't have money for the day, it's possible to pick something from the farm and firewood in the forest. Here, no money means no food, there are no farms.' This realisation of the necessity of money in Bongo land offers a powerful challenge to women to do whatever they can to make money. Another interviewee stated that 'in the village, you can work someone's farm ('mraba') and be paid with food. You cannot find this in Bongo land. Here, lack of money could lead to starvation.' Consequently, women immediately realised the necessity to be 'Wabongo'. For them to make it in Bongo land and be proper 'Wabongo' was not an option; it was a necessity.

In discussing the effects of poverty both in the rural areas and in Dar es Salaam, interviewees seem to make an inference about the role money has in their lives. They note that the lack of money in the villages is not so important because there is the option of working as a farm labourer for payment in kind. In the city however, money is absolutely essential because there are limited substitutes. Nevertheless, they still prefer living in Dar es Salaam to going back to the village, as one respondent clearly stated: 'life in the city is tough, but after getting used to its ways, no one wants to go back. I tell you, ask anyone and they will tell: you we will grasp whatever we can, but no going back.' One interviewee stated that although 'the survival in

Bongo land is tough, I don't think I can manage a hoe anymore'. She was referring to farming as the main economic activity which rural people depend on for making money. Although the interviewee mentions the hand hoe directly as a significant tool for farming and thus making money through selling the farm produce, a hand hoe can also be used to imply to the way things work in the rural setting. According to Sender and Smith (1990), the rural areas are characterised by a firm adherence to gender and patriarchal relations which govern economic productivity. Consequently, women's economic productivity is tied to the husband or father. As such, most poor women would farm their husband's farm and have their husband's children; all economic proceeds from selling agricultural produce such as vegetables, cereal or milk will also be their husband's, making it difficult for women to earn money independently. These circumstances could potentially deter these interviewees from going back to live in the rural areas since their income generating activities offer them the possibility of financial independence.

Further, the exodus of many young people from rural to urban areas meant that the workload in the rural areas increased tremendously for those who remained. In the city, there is comparatively less hard manual labour, such as farming large areas of land using a hand hoe, or walking long distances to fetch firewood, water or grass and hay for their animals. These conditions could potentially have induced some interviewees to comment that despite the hardships in Bongo land, no one was ready or willing to go back to the rural areas. Moreover, it is much harder to make money in the rural areas because of the low purchasing power of the rural inhabitants, and lack of time, since farming and domestic chores consumes most of women's time. Hay and Stichter (1995:21) sum up the rural economy thus: 'in rural areas women's specific problems of low yields, low productivity, lack of cash to invest in modern technology, lack of time for income generating activities, and extreme overwork are related both to microeconomic policies and to long-standing patriarchal traditions operating at the household, village and state level.' These conditions understandably do not attract poor women to return there in order to make money.

To be proper 'Wabongo', the women I interviewed mentioned the need to have the ability, skill and resourcefulness to manipulate people and situations to their advantage. This is not only seen as an essential survival skill in Dar es Salaam but also as a trendy one. A greengrocer explained how 'I arrange the ripe and soft tomatoes under the hard ones and sell to unknowing customers, this is Bongo land'. This example indicates the importance of being resourceful as an attractive as well as a neces sary characteristic. These women, who upon their arrival from the rural areas and embarking on the process to be 'Wabongo' had contributed relatively little to the urban household income, now seem to have become crucial to the very survival of the household in the course of their involvement in income generating projects: 'when I first came to Dar es salaam I was just a housewife. Then I started selling fried fish, slowly I moved to selling food, now I own a plot of land', proudly declared one interviewee. This shows that some of the women have grasped the new urban survival skills and used them for their own benefit. From the interviews, many did acknowledge the fact that their involvement in income generating activities had improved not only their living conditions but also their outlook towards money and themselves. One respondent proudly proclaimed 'now I think my level or scope of thinking is broader, compared to when I had no business, because now I think of things to do and how to improve my business. For example, if you have nothing on your mind, you will do the normal routine chores and go to bed, but if you have a business, before going to sleep, you have to think about the start of business the following day.' These women's circumstances reveal that they have been empowered. Here empowerment is seen as more than economic well-being benefits, as some of the issues they address the power within themselves, the confidence to make own decisions as well as an increased capacity to deal with the challenges of their businesses and urban survival (see, Lemire, Pearson and Campbell, 2001).

Some women mentioned facing challenges in their process of becoming 'Wabongo'. One interviewee stated that to survive in Bongo land, we have 'to learn every day, as this city is like a school'. This is a phrase that is commonly used when a person has experienced an event or occurrence that is unusual in the rural areas. These experiences could range from being conned out of money or property, overcharged, underpaid, or even being assaulted. These experiences may be negative for one party [the victim] but they will be a triumph for the other party who has been clever ('Mjanja') enough to introduce a person to Bongo land school. As one interviewee explained when a calamity befell her: 'the supplier I usually get rice from had run out of stock, so I had to buy from the market. I surveyed the rice and settled on a price and quantity of the rice I liked. Later when the stock was delivered, I realised they had mixed the good quality rice with a very bad quality that was not possible to sell at the price I had planned. This rogue dealer had conned me and caused me a great loss. Worse still, I could not do anything about it as he had moved and I couldn't find him.' This is an example of the negative consequences of moneymaking that micro-credit agencies cannot predict because they always predict positive outcomes for their clients. When there are negative results to money making, women are left feeling confused and frustrated, as this interviewee went on to describe: 'When I informed PRIDE of the misfortune and asked for leniency in repayments, my request was not accepted. I went through a really tough time.'

The process of becoming 'Wabongo' with its inherent underlying 'Ujanja' can manifest itself in a multitude of circumstances. These circumstances are either defined as positive or negative depending on the person at the receiving end. For instance, one interviewee claimed that she has learnt something and is now more 'Mjanja' when it comes to her money, of which she now says 'I keep my money for myself and my children; I do not ever let my husband know the exact extent of my financial position again. Even when he truly has no money for household maintenance, I do not let him use mine. I have learnt to be "Mjanja" too.' Until she learned her lesson, this woman used her newly acquired skills in money making to provide for the family, which in turn enabled her husband to make savings. Unfortunately for her, the saved money was used not to improve their living conditions as a household [her money was used by the whole family] but her husband's money was used for his personal gain, a new wife. She went on to explain her experience: 'I worked hard for this family, paying fees for the children, buying food with the limited funds from my project while my working husband's money was his own. Not appreciating the sacrifices I made to improve our home and persevere in business, he used the money I helped him save for a second wife.' Although such circumstances are rare, they still add up to the challenges some of the women face in the process of becoming 'Wabongo'. When they use the new techniques to survive in Dar es Salaam, they are faced with unforeseen challenges that arise as a result of their efforts to make money. This woman blames herself for reducing her husband's contribution to the family, which eventually allowed him to invest the money elsewhere - in a second wife.

Another woman also recounted a bitter experience of money making and becoming 'Mbongo'. She related how her neighbour was abandoned as a result of her total dependence on her husband, who felt the pressure and left her for another woman who had an income generating project and was in a position to help ease the hardships of urban living. She eloquently summed it up by stating that 'being a goalkeeper is really problematic'. A goalkeeper is a common term used to refer to a spouse who does not involve herself in any income generating activity and waits for her husband to provide her with everything she needs. It appears that to be 'Wabongo' women face many challenges that require them to be cautious and smart at all times. This is not easily achievable as can be observed from the examples discussed above. Still, the women realise that they cannot be distrustful about the need to earn money. This was pointed out by an interviewee who observed that although 'money may not always bring happiness, at least you will escape the shame of hungry children once he is gone'. These negative experiences of making money in Bongo land is a side that most micro-credit agencies overlook when they advocate money making as the only solution to poverty reduction and women's empowerment.

The process of transformation to fit into the fabric of Bongo land was clearly more challenging than most women I interviewed had envisaged. Not only did they have to be constantly on their guard, always watching and learning, they also had to face and overcome the 'constant threat of crime, overcrowded housing, overburdened infrastructure and other poverty related situations. All these conspire to make Bongo an especially difficult and stressful place to live' (Sommers, 2001:98). A similar observation was made by one of the women I interviewed when she lamented that 'Bongo is tough. There is nothing I haven't tried, but business has not been good for me yet. Twice I have had to start from scratch. Once all my money was stolen at a bus stop on my way to purchase merchandise, and the second time I was involved in a major road accident which left me bedridden for months. I still keep on doing business hoping that one day I too will be happy.' Those whose businesses have done well perceive Bongo land with admiration as one woman stated, 'Bongo is the place to be; before I came here, my life was terrible. Now my business is doing well, I can't complain much, things are looking good.' Involvement in income generating activities was the most favoured choice of making money in order to combat the hardships of urban living among the women I interviewed. As most of them did not have a large capital base, they turned to micro-credit agencies. Nevertheless, not all poor women who need credit succeeded in accessing it.

Their difficulties stemmed both from the lending procedures of the credit providing institutions and also from structural and traditional values within the women's environment. The lending procedures and requirements left out women who did not fit into the agencies' rather rigid categorization of prospective clients. By the same token traditional values, which emphasise a woman's place as in the kitchen, played a part in preventing potential clients from accessing micro-credit services. Yet, some women who are already on the path to transformation grasped the opportunity provided by micro-credit schemes to improve their circumstances. The opportunity of joining micro-credit agencies and conducting income-generating activities in the informal sector was considered one way of tackling the challenge of being 'Wabongo'. Most of the women distinguished it as a further step towards taking advantage of the opportunities available in Bongo land.

This section has examined poor women's attempt to be proper 'Wabongo'. It has looked at the important role that social networks play in this process. It has shown that poor women rely on social networks to assist them with information regarding credit facilities, business deals, cheap technology, appropriate ways of dealing with the authorities, and settling into Bongo land. The women are then called upon to rise to the challenge of becoming proper 'Wabongo' whilst trying to maintain their traditional roles as women, mothers and wives within patriarchal and gender relations. In addition, they are called upon by micro-credit agencies to take up credit, which they will invest in their businesses and make profit, which will eventually reduce their poverty and empower them. However, micro-credit invites these women without considering the challenges they have to go through just to fit in and become 'Wabongo' and keep their businesses running. The agencies need to take into account their clients' reality of living and conducting businesses in Dar es Salaam, and realise that being involved in an income generating activity is not the end of these women's struggles with money and poverty issues. The women I interviewed are involved in business as part of their struggle to be proper 'Wabongo' and also to improve their impoverished lifestyles. By succeeding to beat the challenges thrown their way by the harsh circumstances of urban living, running their businesses and taking care of their households, it can be said that to be proper 'wabongo' these women undergo a process that empowers them- they are empowered by the power within themselves and the ability to challenge gender subordination.

7.2 **CULTURAL PREDICAMENT OF POOR WOMEN IN DAR ES SALAAM**

Having looked at the process poor women endure in order to become 'Wabongo', this section looks at other challenges they face. It looks at their social and cultural transition to become 'Wabongo'. They struggle to become urban women who need to shed the rural social and cultural traits that may hold up this process. However, they face the sanctions of society, with its shared traditions, norms and patriarchal values. Culture here refers to a set of shared knowledge, beliefs, morals, customs and practices among the general Tanzanian population, which is dominated by patriarchy. Historically women came together to organise social events like feasts, funerals, weddings, and to provide collective assistance during childbirth and illness (Tripp, 1997b; Geiger, 1997; Isichei, 2002). As they migrated to Dar es Salaam, some of the women I interviewed claimed to have carried with them their cultural baggage and continued to organise their life cycle events as part of their socialisation and gender roles. One interviewee stated that 'I organised a coming of age traditional dance for my grand daughter and many people turned up to celebrate with us. No food or money was wasted and she got many presents.' As they acclimatized to the urban culture, women learned from other cultures and ways of life. They used these opportunities to create good neighbourly relations, and went on to form women's associations. As noted in Chapter Four, migrants from the rural areas tended to settle in areas with people from their rural villages or who had similar ethnic and traditional practices. According to Tripp (1997b:242), 'women in urban areas have also formed savings clubs, beer clubs, loose associations of instructresses of young girls (for puberty and marital rites), ritual cult groups, informal social and religious groups, mutual support groups and age and neighbourhood groups.' These groups and associations gave meaning and hope to life in the city for many women. During the interviews, the women mentioned social groups and associations as important vehicles in their struggle to become 'Wabongo'.

Even as urban living unites poor women in certain social and cultural ways, it also breeds isolation, individualism and mistrust amongst the women. As one interviewee reflected, 'Dar es Salaam is a big place, it is easy to do your own thing and go unnoticed, and after all we are all busy searching for a better life'. Urban life has increased the atomisation and isolation of women as housewives in their specific families, 'even though we are neighbours, you don't really know what goes on in people's houses unless it's a big issue' commented one respondent. Although they may share similarities as poor women living in the city, their private family horizon acts as a barrier to uniting them with other women against poverty. In spite of the harsh urban reality, women remain concerned with their immediate practical social realities such as providing for their children. Their need to be 'Wabongo' was increased by concern for their children and households.

Falola and Salm (2005:63) observe that there are 'certain cultural practices that suppress women's ability to choose for themselves the kind of life they prefer to lead. One such cultural expectation is that poor women should not have any aspirations beyond being a wife and caring for their families'. Yet in their quest to be 'Wabongo' poor women are called upon to be more than simply wives who care for their children. Consequently, when they attempt to do other things besides being good mothers, they are ridiculed and mocked for being 'manly'. One interviewee acknowledged that 'I know that traditionally women are discouraged from being upfront, that only men should lead while women follow obediently. But sometimes you just have to do what needs to be done. My husband is not the ambitious type, so I have to pull the weight to get things going otherwise life will be very tough for us.'

She further recounted how this has earned her a reputation as one who has overthrown and controls her husband as head of the household.

During the interviews some women pointed out how some of the negative name calling that has been used against them has affected their ability to be proper 'Wabongo'. A commonly mentioned negative label used was 'Jike dume'. The Swahili term of 'Jike dume', which loosely means a tomboy, is often used to describe women who seem to have power in their households: women who are in one way or another self-sufficient and can fulfil the role played by both men and women at once. For instance, a woman who is seen as a stern businesswoman is often referred to as 'Jike dume'. This term does not necessarily praise the woman's ability but rather likens her to what is expected of a man. Instead of appreciating and supporting the woman's efforts, such terminologies are used to mock her efforts and undermine her success as a hard-working woman. Consequently, women are not proud of this label. Others would shy away from achieving their potential just to avoid such negative labels for hard work and confidence (see Isichei, 2002).

One of the women that I interviewed has been a widow since the late 1970s when she was left with four young children that she brought up single handed. She informed me that although she depends on herself financially, she asked her son to travel to Songea [his late father's hometown] in order to inform his uncles of his decision to marry and ask for their blessings and help with the organisation of the wedding. She says that she did this 'because it is disadvantageous for me if my brothers-in-law think I can do everything on my own. I may have raised most of the money for the wedding from my friends and neighbours but I did not want the negative labelling, and besides, the children need their uncles. In all weddings there are relatives from both sides of the family, so why would I want it any different for my children just because their father is not here?' Here is a woman who has used her 'Ujanja' as well as her ability as 'Mbongo' for her own benefit. She assessed the situation and decided to make it work to her advantage. She used the fact that she is a widow to raise money from her friends and neighbours to foot the bill for her son's wedding and she invited her brother-in-laws, who have not helped her with the children in the past, only to save face from being branded a 'Jike dume'. She felt she had every right to want her son's wedding to be a success, but she had to weigh and assess every step carefully to make sure that she utilised every opportunity to her benefit; yet it mattered more to her what society thought of her. She was worried that society may not reward her efforts for raising her children single handed.

Another interviewee recounted how important traditional perceptions of marriage were: 'my parents advised me against great involvement in business because no man would want to marry me if I have a lot of money; it would act as an obstacle. I listened to my parents, quit my business and looked for a low paying job as a hotel receptionist and within two years, I was married.' Here is a young woman who has the potential to escape from poverty, being educated, unattached, has no children and had a good business venture. Instead she felt that she had to sacrifice everything because her parents and others place more worth on a 'married woman' than on a 'single woman with money'. Traditional views therefore produce real contradiction: while a poor woman has to learn to be 'Mjanja' and become a 'go-getter', there are simultaneously warning signs indicating that women with money and motivation are shunned.

Due to the pejorative associations of being a 'Jike dume', poor women are forced to choose to play down their potential of being 'Wabongo'. Although money is an essential ingredient to survival in 'Bongo land', single women are made to feel inadequate. Since women heavily depend on their social relationships and social networks, it matters what is thought of them and their efforts to be proper 'Wabongo'. These social networks are pragmatically crucial to poor women as they define how they conduct themselves in the city, and how to conform to acceptable values, beliefs and norms. To succeed, women need to abide by society's accepted mode of conduct, because the cost of not doing so is not simply social but economic and political as well.

Most micro-credit schemes appear to ignore the complexities involved in their client's struggle to be 'Wabongo'. They mainly focus on the money making and the business side of their clients' process of being 'Wabongo' by stressing the need to conduct businesses in a certain way. In doing so, the agencies overlook the contradictions that their clients face within their society, especially where women's involvement in business and money making is concerned. As we have seen, negative labelling affects some of these women's efforts to conduct successful businesses. Since most of these interviewees rely a lot on their social relations network to prosper as 'Wabongo', asking them to take risks and invest even more in business could intensify their contradictory situation. Most of the women I interviewed greatly value the opinion of members of their social network. They would like to prosper in their businesses but they wish to do so with the blessing of their friends and neighbours. This may have an effect on the meaning that these women interviewees attribute to money. They prefer to make money that will improve their chances of living in harmony with their social networks rather than money simply for micro-credit agency survival or business expansion.

Poor women depend on a combination of diverse, enormous and complex social networks. On one level they include close relatives and friends, as seen in Mage's case. These are the first contact that some of women I interviewed claimed to learn from and depend upon. One interviewee stated that 'when my marriage failed, I returned home, just like an injured cow would return to the shed. As you know the family is where we draw our strength from and return to when troubled.' Then there is the wider network involving neighbours, business associates and partners, micro-credit group members and customers. This social network casts its net further and wider than the close network of family and friends. Some of the poor women I interviewed keep in contact with this network on a regular basis, especially when they need information regarding their businesses, technology issues or contacts regarding social issues, such as schools for their children. Then there is the widest social network of religious/faith-based organisations, ethnic and regional groups and the local government. This network is usually used as the last resort, or when the women face major crises that need resolving using formal or divine interventions. I have divided the networks in this way for convenience, but in practice they intermingle quite a lot. It is possible for a social contact to be able to act in more than a single capacity; for instance, a neighbour/relative could also work in local government and make it possible for a woman to negotiate between and within various networks depending on their need.

On expressing the complex changes that communal support and urban living are having on traditional practices, one interviewee recounted that traditionally, a married woman is to have only minimal contact with her father-in-law. This injunction is strictly adhered to. She even recounted that it is forbidden to face him or maintain eye contact with him when it is necessary to talk to him: the daughter-in-law has to look at a spot on the floor. Otherwise, no contact is the recommendation. She recounted that when her father-in-law came to Bongo land for treatment, 'he had to share our two-roomed house. This would be unheard of in the rural areas, but this is Bongo. He could not walk unaided, and on several occasions when my husband was out, I had to help him to the bathroom. It is due to poverty and the conditions of living in Bongo land that I was in this awkward cultural position, this is totally unacceptable back home as there is always a person who can be counted upon in such times.' Poverty and the absence of communal support are causing the poor to break with some traditions. Those involved realize that it is a different environment, and things have to be done differently in order to survive, as shown in this example. The rural setting where traditions are strongly adhered to would probably not have let this woman be in this uncomfortable situation. The wider social relations network would have stepped in to help maintain traditional customs.

From the interviews, it can be said that social sanctions by negative labels affect these interviewees strongly. This is particularly so in the Dar es Salaam setting where they are required to strive and outsmart others in their efforts to survive and earn a living. The same society that is compelling women to change and be bold and smart so as to make it in the competitive urban market environment is also erecting barriers along the path to achieving these changes. Poor women are hence left at a crossroads, unsure which way to go. If they retain their rural traits they are punished for not being 'Wabongo' and 'Wajanja' enough. If they do, they are given pejorative labels. These contradictions reflect a sense of insecurity, especially among the men whose position in the family and society appear threatened by women who are gaining economic power and independence. These labels are used as a form of threat, both towards the women who have power and those who are in the process of gaining economic power. They are seen to be treading on as the male preserve of being providers and leaders of their households. These negative labels are designed to instill fear and scare women away from what is regarded as male territory through social sanctions, ridicule and belittling their efforts.

In attempting to deal with these contradictions, one interviewee stated that it was all 'a matter of knowing what to do and when to do it'. She was of the view that women need to be careful when dealing with money matters in the presence of men, as men do not appreciate women with more money than themselves. However, she insisted that there comes a time when 'as a woman you want to push things, you just have to do what's needed to get things done'. She was referring to her first son from a previous marriage. Her second son is provided for by his father [her second husband], while she has to provide for her first son primarily on her own. For this reason she has to work harder which has led her in-laws to complain that she has far too much power over their son in the household. She in turn feels that she only steps in when necessary, like 'making sure my first son is not deprived just because he does not live with his biological father'. When she does that she is called names, is said to 'push their son around, wears the trousers in the house, a Jike dume'. Although she detests the negative name calling, she would rather have that than jeopardise her son's future; as she says, 'I divorced my first husband because he was good for nothing. When my second husband turned out to be just as bad, I decided to save my marriage and do what needs doing instead of waiting for him to lead me nowhere. Besides, who will invest in my son's future if I don't?'

Here is a woman who, after considering her options, decided the negative labelling was preferable to a miserable life for her son. She further states, 'when I left my son behind with his father, he refused to take him to school. Instead he wanted him to learn to be a mechanic's apprentice. That is why I had to bring him to Dar and send him to school. Now that he is in form five, his father has come back into his life telling him that he is the real father unlike my second husband. I did not go to school and I blame my parents, but I will not deny my children an education because I know its worth.' This is an exceptionally courageous decision for a poor woman to make. Others would probably have given in to the demands of the in-laws because they are held in high esteem and their opinions are extremely valued. She runs the risk of being socially excluded if her husband's family decide to team up against her. The worst case scenario may be the end of her marriage should her husband side with his parents. Most women who back away or decide to tow the line do so for fear of the consequences and because they prefer to make peace and avoid confrontation at the cost of their own advancement. This in turn limits their striving to achieve their utmost. This knowledge of how society reacts to women with money may pose a threat to some women's sense of achievement and may lower their drive to do their best in their businesses. These threats interfere with poor women's attempts to be 'Wabongo'.

The micro-credit agencies' view of money as a solution to poverty does not seem to take into account a situation such as the one faced by this interviewee. For them, once a woman has money or access to money, then it follows that she will be in a position to use the money according to her own wishes. They fail to take into account the power and influence that social relations have on the decisions that poor women make regarding how the money they get is utilised.

Other women respond to these contradictions with resentment. As one respondent put it, 'sometimes I regret it and wish I had not bothered in the first place'. She was referring to the complications brought about by her involvement in an income generating project. Although there are positive outcomes of her project, there also seem to be a number of negative outcomes that have resulted from it. This interviewee is a mother of three boys and is the youngest daughter in a family of five, involving three sisters and two brothers. She owns a small shop selling clothing materials and other tailoring accessories. She is of the opinion that starting a business has stirred troubled waters and brought to the surface issues that she is not equipped to deal with. She further says 'my husband is not supportive of my efforts; my own sisters have turned against me saying I am mean. Now even my neighbours are giving me a cold shoulder, they would not buy from my shop. The little money that I make is not enough to solve my own financial problems let alone other people.' Bearing in mind the significance of social relations in the women's lives, it is understandable that this woman is under a lot of stress. Falling out with her closest circle – her siblings and her neighbours – is causing this interviewee a great deal of stress. Becoming 'Mbongo' has created some negative social outcomes for her. This example shows that an income generating activity may be enough to show promise of an improved lifestyle and cause social problems, but it is certainly not enough to achieve actual autonomy from the social and traditional ways of living among poor women. From this perspective in what sense, if any, is income generation empowering? Yet micro-credit assumes that once a woman maintains a business, not only will she reduce her poverty but will also be empowered. The reality is one that neither micro-credit agencies nor this woman expected and that neither side knows how to deal with. This interviewee was faced with a dilemma because, on the one hand she needs her social network of siblings, friends and neighbours of be able to prosper both as 'Mbongo' and as a micro-credit client, and on the other she enjoys being busy with her income generating activity and does not want to give it up.

Since micro-credit agencies merely focus on the economic aspect of money making while being oblivious to their social and cultural aspects, they run the risk of intensifying the contradictions and negative outcomes of their clients' income generation schemes more than they help them. For example, the agencies continue to push their clients to be more aggressive in their income generating activities, to invest in several projects in order to make more money, they run the risk of causing more problems for these women. Instead, they need to understand that traditional customs and social relations influence their clients' response to money and income generation. As discussed in Chapter Four, the micro-credit agencies treat their clients' poverty and income generation activities as separate issues from their total reality of living under distressed conditions that involve more than simply the lack of money. The agencies have to understand their clients' socio-cultural and traditional reality in order to encourage their clients and understand what they go through instead of adding on to their misery by complicating their social relations and income generating practices. This understanding may create a better working relationship between the agencies and their clients, producing better outcomes as far as money making and investments are concerned.

If given a choice, another respondent said she would readily choose her social relations over the economic. 'I would rather make enemies with credit officers than with my neighbours, because if I mess up in my neighbourhood who will help me in time of need?' This shows the sensitivity and value that poor women place on their social networks. This woman has to deal with a lot of new issues at the same time and would appreciate the help and support of family and friends. She is not only having to deal with the frustrations of becoming a 'Mbongo' but she has the additional strain of her crumbling social relationships, something that she had not bargained for when she involved herself in a business. Micro-credit agencies have a unilateral view of the outcome of their clients' involvement in business as positive. Their failure to perceive that sometimes things can go in an unexpected direction could be an attempt to avoid dealing with the social cost of such negative outcomes. It could also be that as a business, micro-credit agencies must focus on making profit, and overlooking other unintended consequences. Generally, social outcomes are something that they do not have the time or the persistence to deal with.

During the interviews, the use of language was also mentioned as another challenge that most interviewees had to deal with. Sommers (2001) observes that language is instrumental in shaping actions and behaviour. In the process of becoming 'Wabongo' the interviewees described the challenges that they have experienced in colourful language and phrases. In so doing, the women can be said to have played a part in influencing language growth in Bongo land. Sommers (2001:100) also asserts that terminologies commonly used by the poor have often arise directly from their experiences 'in the fierce competition for limited opportunities in Bongo land'. This vocabulary has become popular because most users can directly identify with the meanings and experiences behind these phrases. Frequent sayings in the interviews were those such as 'mtaji wa masikini ni nguvu zake mwenyewe' (a poor person's resource is their physical strength), and not capital or assets that other non-poor people rely upon. It is a stark reminder that they are vulnerable with very little to fall back on. In a way this calls on the poor to guard the only resource at their disposal, their physical strength, and also to use it for their own advancement.

Yet this physical strength is determined and influenced by issues other than a person's will to survive. These include availability of basic resources like food, shelter and clothing, resources that many women do not readily have. The saying quoted above reflects a society that is distressed yet aware of the limitations to and possibilities of its advancement. In a sense it is the recognition of the worst-case scenario facing many poor women in Bongo land while at the same time it is a motivation that by using the only assured resource at their disposal they can open up possibilities that could change their status.

During the interviews common terminologies used for money were 'Pochi', 'Jiti' 'Ngawira' and 'Mshiko'. 'Wabongo' have used these terminologies while the proper standard Kiswahili term for money is 'Pesa', borrowed from the Hindu language [India]. Money has also been given various names depending on the amount, for instance the five shilling coin, is commonly referred to as 'Dala', a name adapted from Dar es Salaam's commuter buses, known as 'Daladala'. A thousand shilling note is 'Buku' and a ten thousand shilling note, which is rarely used in small monetary transactions, is referred to as 'Wekundu wa Msimbazi' – which gets its name from the infamous Dar es Salaam-based soccer team, the Simba sports club of Msimbazi (they wear red jerseys, the same colour as the ten thousand shilling note). These terminologies are only used by 'Wabongo' and not by micro-credit officials, because they are regarded as street language and therefore considered inappropriate in the micro-credit scheme environment.

All 'Wabongo' are expected to know these terminologies as they are widely used in monetary transactions in the market places, local transport and local shops. Most of the women I interviewed said that anyone lacking knowledge of these terminologies or their meanings is in danger of missing out on monetary transactions, hence they have to keep up with the ever-changing language of Bongo land. Sommers(2001) observes that although this language is regarded as street language and disrespectful and improper by the older generation and the elite, it is worth learning. In order to interact fully and be proper 'Wabongo' women need to know the meanings and usage of these terminologies. Their income generating ventures may suffer if they cannot interact with customers of all types and ages. The women have to find the right balance in their interaction with customers, so to completely ignore certain aspects of street language is difficult since they depend on all sections of society to prosper.

This section has shown the cultural dilemma that poor women face in Bongo in their quest to be proper 'Wabongo', who are smart and streetwise on one hand but also maintain what is regarded as acceptable mannerisms by the society at large on the other. It has also suggested how far removed from poor women's reality micro-credit is with its insistence that all it takes to turn poor women's lives around is investment in their businesses. The next section looks further at some other role changes that poor women encounter in their new lives in the city.

7.3 ROLE CHANGE: WOMEN AS MAJOR HOUSEHOLD PROVIDERS

Traditionally gender roles and responsibilities within the household are to be shared between men and women with each gender performing its assigned task. Men are required to provide for their families while engaging in activities in the public sphere. Women are responsible for domestic issues including cooking, cleaning and caring for children's needs within in the private domain of the family. As one respondent asserted, 'husbands are supposed to provide for their families. Some husbands nowadays have picked up bad habits in town and neglect their traditional duty because the wife has an income generating project. I am lucky my husband still takes care of me. He gives me money for food, clothes and shoes.' Although she acknowledges that it is the husband's responsibility to care for his wife and family, she also recognises the divergence from this responsibility. She links this change to the urban environment, which has negatively influenced men. In a way she is categorising this change as part of the Bongo lifestyle and the whole process of becoming 'Wabongo', the outcome of which is antagonistic gender roles.

Some interviewees accused men of selfishness, drinking and affairs, which cause them to neglect their role of providing for their families. One interviewee claimed that, 'when these urban men get home, it's to bath, change clothes and go out for leisure. In order to avoid the shame of neighbours knowing there is no food in the house, women step in to make sure their children eat.' The ensuing conflicts have led to the break up of many marriages, forcing women to become the major breadwinners in many urban households.

Most of the women who are in the process of becoming 'Wabongo' are now also faced with the overall responsibility for their households. They have to make important decisions and provide for their children economically and socially. It should be noted here that many poor women are the major household providers even within marital relationships where the husband is present;[4] this was reflected in women's comments during the interviews. One interviewee stated that 'even though he is the one with a salary, I am the one who takes care of the family. I use my money and do not bother him much, even when his salary is late'. With the lack of the husband's salary as back up, the cost of living in Bongo land would exacerbate the women's situation. The implications of the high cost of living for poor women in the process of becoming 'Wabongo' may include utilising most of the money obtained from micro-credit agencies for domestic purposes rather than for economic investment. When a large share of the credit is used for domestic purposes, this also defeats their ability to do their informal businesses. In a situation like this where money makes women's lives worse, micro-credit agencies need to evaluate their clients' living situation and try to understand that simply giving money alone as a solution to these women's problems does not always work for the benefit of their clients.

The new economic importance and decision-making power that some poor women ultimately gained provided the foundations for their changed awareness. As one interviewee put it 'women are beginning to realise their capability. Previously our culture let us down; that women are supposed to be polite and humble towards men who have absolute power, they can do no wrong. Society has no power mechanism for correcting men. I think there lies the problem. But since Beijing,[5] women can now see the light.' Instead of falling apart, [after divorce or separation] women have shown tremendous strength and courage to persevere for the sake of their children. As one respondent said 'the constant arguments in my marriage were making me sick, I was under medication, since the separation I feel fine'. This interviewee took the initiative to leave her husband to save her life. According to Tripp (1997b:240) the changes in the urban household transformed relations and patterns of obligation. She further observes that 'they created greater resource dependencies on women, children and the elderly, where only a decade earlier urban women had mostly relied on men for income, children on their parents, and the elderly on their adult children'. From this discussion, it can be seen that women's changed role and status, including their participation in income generation, can be credited for massive reversals in the direction of flow of resources at some levels: away from the state towards private solutions to the problems of income, security and social welfare; away from reliance on wage labour to reliance on informal incomes.

Despite the changes in women's contribution in society, including the shift to women as major breadwinners and key decision makers in their households, cultural perceptions remained largely unchanged. Traditionally women's work was ascribed lesser value, an attitude that persisted in spite of the additional role that these women acquired in the process of becoming 'Wabongo'. These perceptions further undermined and demoralised the women's efforts in the process of adapting to change and gaining 'Ujanja'. They felt frustrated because their work remained unrecognised, and they remain invisible to society and government. One interviewee was of the opinion that 'nothing can be good/positive in their eyes as long as you are a woman, no matter how hard you try'. She felt her family failed to support her ideas because she is a single woman. At the same time the local council was harassing women who were trying to make a living in the city. The local authorities habitually harassed the women and demolished their stalls, demanded tax, confiscated their property and threw away their food and other items that were being sold, as described in Chapter Five. With few other survival strategies they felt alienated from and disappointed in the authorities that should be protecting and encouraging them.

In a way poverty was intensified by the fact that the major breadwinner in the household was not given any economic status by the social and political structure. One woman whose income generating activity is selling food stated that 'the city council troubles us. They confiscate our food and cooking utensils, which we have to collect at their offices. There we are harassed and charged a fine before getting our things back if they are not lost or broken. To avoid this hustle, it's better to get new utensils and start again. This is costly and pulls the business back to starting point.' Poverty reduction strategies such as micro-credit schemes target these poor women who were already disillusioned by developmental efforts. Once again the women find themselves in limbo; although they pay the necessary taxes the local authorities harass them. Most of these women are vulnerable because they do not have the skills or knowledge to challenge the authorities legally. They mostly use 'Ujanja' to get around and avoid the proper legal channels. This runs the risk of offending the authorities that may continue to harass them hence creating a vicious circle. Micro-credit agencies prefer to deal with the monetary side while leaving the women to deal with non-monetary issues on their own.

Some poor women heeded the call to join micro-credit schemes and improve their lives and those of their families. However, the road to making money and eventually reducing poverty is full of obstacles beyond individual control.

For example, Rwebangira (1996) asserts that the Tanzanian legal structure consists of a mix of statutory law, English common law, customary law, and religious law and this mixture jeopardizes women's position. Most of the poor women I interviewed are disadvantaged because of their lack of legal knowledge when it comes to claiming their rights. Even where they have accumulated savings or property, there have been a number of occasions where customary law has been used to override statutory law to deny poor women their rights. They face these complications with limited help from either legal, civil or micro-credit authorities. Micro-credit schemes should be in a position to understand the implications these complications have for their clients.

Even as women's roles in Bongo land were changing from being a wife to a single mother or head of household, traditionally women were still regarded to be under the auspices of men. Women's contribution to household maintenance through their businesses remained largely ignored in Dar es Salaam. The process of becoming 'Wabongo' highlighted some of the injustices created by traditional practices, gender biases and persistent patriarchal practices. In the spirit of being smart and seizing the opportunity to improve her status, one respondent felt the need to protect her business. She claimed that with her business doing well, it was necessary to protect her 'sweat'. She used her brother's name on the business licences to avoid loosing everything 'should something happen. We are human beings and anything can happen. In our traditions as you know, everything belongs to the man. If I am not clever, my children will get nothing.' Widows have often been impoverished by their husband's relatives who habitually confiscate all the major means of production that the family had following the death of their brother/relative.

One interviewee recounted her experience thus 'after my husband's death I really suffered. First they wanted the house, regardless of the fact that I was left with four young children. My first-born was only eight years old then. But I really thank my husband for being a person who documented everything. I have always had one business or other, always making money. My husband was a driver, always on the road. He always joked that should he die, I was to show people those documents to stop his relatives from taking everything from the children and me. Forty days after his death, I produced the book he used to write in. His younger brothers ascertained it was their brother's writing and it was what he would have wanted.' Inheritance in patriarchal cultures follows the male line. With the practice of writing a will uncommon, many households adhere to these customs. Property is inherited by sons and male relatives leaving the daughters and wife with very little or nothing. With more and more poor women in Dar es Salaam accumulating property through their own initiative, these customs need to be reviewed in order to accommodate these new changes.

Customary laws have not been very instrumental in stopping this practice and often-poor women have been impoverished following the death of their spouses. Some poor women have found a clever ('Ujanja') way of dealing with these circumstances. They either write the names of their brothers or sons on their property to safeguard it against greedy relatives who prey on other people's property. This suggests that customary laws need to change with the changing circumstances and provide protection to women who now have control of resources through their own initiatives and hard work. Women need to be given the right to own property and inherit resources like land, then they would not need to manipulate the system by using their male relatives' names on their property documentation. They will be able to be proud of their achievements instead of hiding the fact that they have managed to accumulate property.

In practice micro-credit agencies ask all their clients to identify and write the name of the person who will inherit their savings upon their death. As a requirement, all micro-credit clients have written down the name/s of these persons. The inheritance procedure micro-credit schemes use is not complicated. The same cannot be said of these women's businesses as they operate in a different environment where different rules and regulations apply. These women expect their children to inherit their businesses. This has led some 'Wabongo' to seek alternative ways of ensuring their efforts do not come to nothing. Micro-credit agencies could take up this opportunity to train and educate their clients about inheritance and other legal procedures. Given that information is power, this knowledge could prevent poor women from losing their possessions in future. These are the changes and challenges most women I interviewed mentioned in their journey of becoming 'Wabongo'. Many of the women experience these challenges and moral dilemmas while lacking the appropriate education and skills required to deal with them.

Micro-credit agencies could provide more assistance with some of these issues.

This section has looked at the role changes that some women face within urban household settings. These changes are brought about as these women strive to be 'Wabongo'. It was noted that although women's roles and responsibilities are changing, the traditional practices and beliefs remain the same, and women's contribution remains unappreciated. If anything, some aspects of living in Bongo land make these women's lives tougher. These include the local authorities, the informal sector and the legal structure which have not helped these women in their newly transformed roles as sole breadwinners and decision makers in their households and work places. Having looked at some of the challenges that these new roles are presenting, the next section looks at some of the moral dilemmas and concerns that women have to deal with.

7.4 SOCIAL AND MORAL CONTEXT OF MONEY MAKING

The social and moral aspects of money making among poor women in the process of becoming 'Wabongo' are of fundamental importance. The whole process of becoming 'Wabongo' is riddled with moral and social dilemmas, which are particularly difficult for women as a social class. Even as they are being encouraged to discard what is traditionally acceptable and characterised as being a proper woman, at the same time there are social mechanisms that categorically aim to put women in their place. These sanctions manifest in various forms including language, as the discussion on the use of terminology such as 'Jike dume' has illustrated, and through cultural practices which identify and specify appropriate behaviour.

Most of the women I interviewed almost exclusively rely on and invest heavily in their social relationships as a preliminary step in becoming 'Wabongo'. Through these social networks they have learnt what business projects to undertake and how things are done in 'Bongo land'. This became obvious from the interviews as almost all women claimed to have had help from one social contact or another. One interviewee who sells charcoal claimed that 'I thank my primary school friend, who is now a teacher, for the idea of starting my charcoal business. She also advised me to join a micro-credit scheme.' A greengrocer had her sister to thank for her business, as 'after finishing my studies at VETA (Vocational Education Training Associations), she gave me the starting capital to start the greengrocer's business'. One interviewee even remembered how 'my brother-in-law's wife gave me the idea and also lent me the first amount of money, 30,000 Tanzanian shillings to rent a place with and buy cooking ingredients in order to start up this food business'. Although some were grateful to their neighbours, relatives, friends and husbands for guiding them through the first steps towards money making in Bongo land, others felt betrayed by them; for instance, the woman who quarrelled with her siblings after she started a business discussed in section two of this chapter. Most poor women find it difficult to break their ties with the social network. They honour their social relationships and prefer to extend them further because of the benefits that such networks bring to their lives.

The need to honour social relations can sometimes interfere with their efforts to make money. This became evident when one respondent lamented the difficulty she was facing in trying to satisfy her social relations whilst simultaneously doing business. This woman who sells rice cakes and chapatti in the mornings stated 'I had to hire two girls to help me in the morning because my clients like to buy hot, fresh items. If I make one item in the night it cannot be sold in the morning, that's why I need the girls. This is expensive but I have a lot of clients who I would not like to upset. Besides, the items only sell for 50 shillings apiece, when I increase the price, they complain and refuse to buy.' Even when prices of commodities increase, like rice, wheat flour and cooking oil, customers still insist on buying these items at the lowest price meaning that the women make only minimal profit. The outcome of this is that they have difficulty in keeping up repayments, and meagre savings. In spite of the difficulties of conducting business under these circumstances, this woman feels the need to maintain her loyalty to her customers because she is grateful to have them in the first place. Such a situation demonstrates the value of social relationships: sometimes they are given more importance than money making (see Isichei, 2002).

Clearly, here is a woman who understands the consequences of her actions. Yet she chooses to cultivate her social relationships. She could also have chosen to cut these ties and make money her first priority. This is a complex aspect of poverty, income generation and being 'Wabongo' that micro-credit agencies seem to give little attention to. They simply assume that once they are given access to money, the women will conduct their businesses regardless of the social and cultural backdrop. The micro-credit agencies advised their clients not to put their social relationships before the economic need to invest their money. However, it appears that their clients' operate within very different parameters.

Loyalties to social networks can sometimes go wrong. Some women learnt this lesson the hard way when they become prey of Dar es Salaam 'Ujanja'. One interviewee who sells batik materials recounted how 'I was ripped-off of twelve pieces of Batik materials by a friend. She first took three pieces, sold them quickly and brought me the money, then took six pieces and brought the money. When she asked for twelve pieces, I quickly gave them to her, never to see her or my money again. Now I have become Mjanja.' On one hand, the reality of the hardships of urban life and the need to be smart and sharp to spot and take advantage of opportunities is a positive attribute for poor women to learn and adapt to in their dealings with other urbanites, especially where they are involved in selling and buying commodities. On the other hand, however, this 'Bongo land' lifestyle where one feels the need to be cunning and trick others all the time is hardly the most effective way to cultivate social relationships because it creates an underlying threat of mistrust and manipulation. It becomes difficult for women to know how and when to balance between the two.

Poor women are caught between the need to be 'Wabongo', hence distancing themselves from trusting others, while at the same time they need their social relationships for support with their businesses and economic opportunities. Thus, they find it really hard to achieve the proper balance. Yet micro-credit agencies need the women to be trustworthy if they are to obtain credit and be able to repay the loans. As such, micro-credit agencies prefer their clients not to be streetwise, so that they may not run the danger of defaulting on their repayment obligations. However, this is a narrow view of the realities of urban survival, because unless women can fit into the urban environment, they will not be able to conduct business. Meanwhile, unless they become streetwise, their chances of survival in Bongo land are not very promising. In addition, they need to be 'Wajanja' to ensure they conduct their businesses within the informal sector. Asking these women to live a life that is different from the social reality of their surroundings is not a realistic way for the women to survive in Bongo land.

Micro-credit agencies would not like to be in a position where they service poor women's 'Ujanja', nevertheless they need their clients to be clever and daring enough to take up credit in the first place. Micro-credit officials use phrases such as 'credit is only for those women who take up the challenges in money making', or when they call upon clients to 'be clever and transform your business in response to the changing pace of urbanism'. These phrases seem to target clever, witty and even cunning individuals, who are willing to take on challenges. In a sense, micro-credit services 'Ujanja' while they are careful not to attract its extreme aspects, which in most cases includes individuals who may even opt for brutality in order to get their way. Women who have gained the art of 'Ujanja' and Bongo land street wisdom inhabits an environment of potential social and moral dilemmas. Some of these dilemmas are reflected in Asia's case below.

7.4.1 **CASE STUDY: MRS. ASIA**

Asia is a mother of two who has lived in Bongo land for almost a decade. Originally from Songea, she migrated to Dar es Salaam with her brother to pursue her training from VETA (Vocational Education Training Association). After completing a two-year course, she met her husband. They live in a two-room rented house with their two children and also occasionally with relatives when they come to visit from Songea. The high cost of living in Dar es Salaam prompted her to start a business. She sells fried chicken and chips at a nearby bar in the evenings from around five o'clock to around ten o'clock at night. Her husband is supportive of her efforts to help ease the ever-increasing cost of living because maintaining his family on his salary alone is a struggle. However, his mother is not supportive. Once during her visit, she asked her son to stop his wife doing this business as it reflected badly on them. According to her, only women with loose morals go to bars and she is worried about what other relatives would think of her son. Meanwhile Asia maintains that the bar is the ideal place for her to conduct business because of the convenient hours as well as the amount of money she is able to make. It is a dilemma for Asia because, while she does not set out to disregard her in-laws, she cannot leave her business since it has improved life for her family. She maintains that she likes her business because she is able to tell straight away if she is making a profit or loss at the end of every day's work and, so far, business is good.

Asia's case is an example of the social as well as moral dilemma that some women experience. To begin with, it demonstrates the hardships that they face. Even though they have moved from the rural areas, the social ties are not severed and they face sanctions from both the rural and urban areas because they do not conform to traditional ideas of how a respectable woman should conduct herself. Even though urban women are seen to have more freedom of choice, there still seems to be a system that regulates this freedom. Asia feels frustrated and claims that 'this kind of attitude where in-laws interfere is outdated. This is not her life but my family's and mine.' Yet she also understands that it is her husband's duty as a son to listen to his parent. She comments that 'elders' blessings are essential to one's success. This is why after some time in my marriage; I travelled back to Songea to seek pardon from my parents for getting married without asking their consent, and to pay the necessary fines. In fact I go whenever there is an occasion like weddings or funerals.' This shows that although she understands the cultural practices and social obligations, she still feels frustrated when they interfere with her attempts to make money and improve their lives as a poor family in Bongo land. Asia is of the view that some traditional expectations are outdated and inappropriate for the city where 'things are changing fast and life is getting tougher'. She feels that sitting back and 'doing nothing to help offset the hardships of urban life is a greater crime' than her in-laws meddling because not only will her children suffer, but the in-laws too as there will be no remittances to send back to the village.

Asia finds herself in a complex situation because she has involved herself in an income generating activity that is mostly in the domain of men in 'Bongo land'. Men have almost exclusively been the ones involved in making and selling fried chicken and chips in bars in the evenings. It is acceptable for women to do this type of business by day. To have a woman opt for a business that is predominantly a man's domain is bound to stir social and moral debates. According to Asia, this has prompted her brothers-in-law to comment that 'she is too strong willed for their brother who is too laid back'. This is mainly because bars have traditionally been associated with certain kinds of activities and types of people, and Asia does not fit the bill. The only women who are associated with bars in Dar es Salaam are usually barmaids, a career choice that is morally contested by the vast majority of 'Wabongo'. While some consider them to be of loose moral values, others see this as a type of employment that is sufficient to provide for one's needs.

The controversy surrounding the nature of her business has caused a number of discussions in Asia's household, to which she responded that 'I try to make my husband understand that this is for the good of the family. I tell him that although my clients are mostly men, the important issue here is maintaining my respect as a mother and a wife.' It seems that adhering to what is considered socially appropriate for a woman/man is valued above making money and helping offset the hardships of urban poverty. This is a confusing issue for women. To be proper 'Wabongo', they are encouraged to be sharp and clever, something Asia seems to have achieved with her business. Meanwhile, society imposes sanctions on women, who then face a dilemma as to whether to accept these sanctions and have their families suffer or take action and upset social relations.

Asia is a strong character, and unlike many other poor women I interviewed, she shows resilience in not bowing to the pressure to stop her business 'since my in-laws worry about what people will say because I am out at night doing business and getting money for the family'. She recalls that when 'things were difficult, no one came to our assistance'. Now that she is doing business so as to improve their life 'there are many opinions. They say I am rude and disrespectful, although I think they should consider all circumstances before making judgement. Anyway it is the husband who has the last say in all this, if he says stop then I shall, but he should remember where we came from. I will then depend totally on him to cater for each and every need that the children and I have.' Probably moving her business from the bar would be a compromise that she could consider. Even though it will lose her money, at least she will still have an income and keep her in-laws happy. These are the sorts of compromises poor women have to make constantly, which push them away from projects that make more money into those that are considered suitable for women. There was no mention in the interviews with micro-credit officials of training women to take up projects that have high returns, which may or may not be male dominated. Instead women are encouraged to stick to their trade and improve it.

This case demonstrates some of the complex moral and social dilemmas that poor women have to deal with. It is not sufficient simply to make money or have a business; the social and cultural aspects of everyday life are very important to their success. Without social support, most poor women will find it extremely difficult to succeed in both making money and becoming 'Wabongo'. These are the hidden circumstances that regularly determine poor women's lives. From the perspective of micro-credit, as long as a woman has an established business and maintains her repayments, then she is a good client, the vulnerable circumstances surrounding these projects or their social and moral repercussions are ignored. In this case Asia is making money and is able to make her regular repayments without much trouble, but the problems that her business has created are of a social nature. They are so crucial as to determine the continuation or termination of her business [and probably her marriage] in a matter of moments; as she says, all it takes to stop her is her husband's word. As such, micro-credit agencies need to take the social and cultural aspects of making money seriously rather than brushing them aside as not important.

Social and moral concerns feature more strongly in the process of becoming 'Wabongo' and in the choice of the income generating activity as well as in its outcome. Sometimes a project can fail because of social and moral pressure. In such cases, instead of becoming empowered women find themselves faced with undue stress. This demonstrates that micro-credit needs to pay more attention to the social predicaments of its clients as these deeply affect the outcome and future of their business ventures and their continuing as micro-credit clients. Choosing to ignore their clients' social baggage is effectively ignoring reality. Unless this reality is understood, and responded to in a meaningful way, micro-credit agencies may not achieve the goal of relieving their clients' poverty.

CONCLUSION

Excessive poverty has been an instrumental push factor in poor women's migration out of the rural areas, being pulled by the promise of 'making a better life' in Dar es Salaam. Upon arrival, many women realised that the reality of living in 'Bongo land' was very different from what they had imagined. But they persevered and have played a major role in sustaining their households, taking care of their husbands and children, and trying their utmost to fit in and become proper 'Wabongo' in spite of challenges and obstacles. Being proper 'Wabongo' therefore was not an option but a necessity for poor women if they were to fully interact with the urban population, they depended upon for their income.

Urban culture and patriarchy are issues that women have had to deal with during the process of fitting into urban society. Poor women's status may be changing but the pace of change of cultural practices does not match it, since women are still subject to the same discriminatory cultural attitudes as before. Customary laws make no provision for women's changed role, instead they deny them the right to enjoy the hard-won fruits of their labour. Micro-credit is only one way of helping poor women, but clearly women are confronted with much more than simply the lack of money if they are to prosper. Local beliefs and culture influence how poor women approach money making and respond to circumstances associated with having money.

Micro-credit agencies need to take these issues on board and reconsider offering only money as the solution to women's poverty. Neither should they remain unaware of the unwanted and unexpected effects that acquiring money can have on their clients. The city has not only opened up avenues for poor women to be proper 'Wabongo' but has also raised fundamental challenges that need to be addressed.

NOTES:

1. One respondent, who is featured in the case study, recounted her journey from Mtwara to Dar es Salaam back in the early 1980s. A single boat travelled from Dar es Salaam to Mtwara each month. Prior to alighting, passengers had to wait for a whole week, for the boat to be thoroughly cleaned and fumigated as the sea was rough and people would often get sick. The uncomfortably long journey was at that time the only means of transport for her and her two young sons. There is an airstrip used by private and small planes, which is beyond the means of the majority of the poor population.

2. Mage is from a matrilineal society and she was lucky to be allowed to take her children with her when the marriage ended. In many partrilineal societies, even the children are taken away when a marriage ends and the poor woman is left with nothing.

3. Mtwara is a port on the Indian Ocean. It is a town located at the southern tip of Tanzania near the border with Mozambique. It is among the most remote and poorest regions of Tanzania. In the mid 1980s, this region experienced very high rural-urban migration to Dar es Salaam. The young men became involved mainly in street hawking goods such as electrical equipment from shops (owned by Asians) or second hand clothing and shoes, to a point most of the street hawkers are named after a village in the region known as 'machinga'. Since the majority of the street hawkers were mainly from Mtwara region, all street hawkers were nicknamed 'wamachinga', a label that has stuck even today.

4. The husband may not be the major household provider for a number of reasons including being laid off formal employment, earning less than their wife's income generating projects, or not being able to hold a job due to s such as drunkenness.

5. She was referring to the Beijing conference of 1995, after which many women in Tanzania openly questioned gender stereotypes and held gender awareness and sensitisation seminars and provided legal aid for poor women who could not afford legal representation. Since then the term Beijing is locally used to refer to women who are aware of gender discrimination.

CHAPTER EIGHT

CONCLUSION

This study has contributed towards understanding the role of money from micro-credit agencies to reduce poverty as a major development challenge facing Tanzania. Its findings strongly suggest that it is time to start looking at alternative ways of assessing micro-credit schemes, instead of assessing them in the quantitative terms of outreach, coverage, number of clients and loan amounts extended to clients. It is time to focus attention on client satisfaction with the services provided. Tanzania introduced micro-credit in the early 1990s as part of its financial reforms aimed at providing financial access to entrepreneurs and low income households in order to reduce poverty and create employment for its citizens. Micro-credit was seen as an alternative measure following a host of unsuccessful poverty reduction strategies.

The study has shown that micro-credit agencies and their beneficiaries operate with different understandings of money, and, since these different perceptions have an impact on the goal of poverty reduction, micro-credit agencies should understand their clients' financial world and beliefs. The money-alone approach used by micro-credit agencies, fails to take into account other important concerns, has not been supportive of these women's reality. These concerns include gender and patriarchal relations at the household, community and the market level which continue to undermine women and deprive them from benefiting from their participation in the informal economy.

This study has taken a different approach to most studies on micro-credit in Tanzania by focusing on the meaning of money among poor women. This particular focus has enabled this study to come up with findings that have otherwise not been generated by studies on micro-credit, which have focused on the micro-credit institutions themselves in terms of the methods that they use in credit delivery and whether or not they reduce their clients' poverty status in Tanzania. To the best of my knowledge, such an approach has not been attempted in studies on micro-credit in Tanzania or anywhere else.

The study adds to the understanding of money as both micro-credit agencies and their clients perceive it. It has argued that a discrepancy exists between the credit providers' perception of money on one hand and that of their beneficiaries on the other. It has also stated that the money-only approach used by micro-credit institutions to tackle poverty may impede the process of reducing women's poverty because money alone is not sufficient to solve the complex and multifaceted problem of poverty. Micro-credit institutions largely understand money as capital, needed for economic investment for enterprise development and profit. Their clients see money as a resource for the improvement of their overall living conditions. These include economic investments as well as social and cultural investment. These women struggle to distinguish between economic and non-economic investment just as they find it problematic to distinguish between the public and private domains of life, as these are intertwined in a complex way, see table 8.1 below.

Table 8.1 DISPARITIES BETWEEN VIEWS ON MONEY OF DIFFERENT STAKEHOLDERS

	Micro-credit agencies	**Poor women**	**Development agencies/policies**
Perceptions of money	-capital necessary for economic investment by poor women needed for their empowerment.	-A general resource for the improvement of their overall living conditions. -Can have positive or negative outcomes on a woman's relationship.	-Tool for increasing women's control over income and resources.
Reasons for accessing money	-Enterprise development and profit gain.	-Provide for their families and boost their income generating activities.	-Eliminate income inequality as part of the Millennium Development Goals (MDGs).
Main use/s of money	-Injection in business for profit gain and enterprise development.	-Improve well-being of family and household including investing in socio-cultural and economic investment for present and future gain.	-Gives women access to bargaining power and decision-making as well as broader social and political changes they may desire.
Reasons for targeting women	-High female repayment rates.	-Most vulnerable members of the household and community.	-Higher levels of female poverty and responsibility for the well-being of the household.
Views on poverty reduction and empowerment	-Access to credit increases women's status in the household and community-hence their empowerment and poverty reduction.	-Views poverty in broader complex way involving insecurity, diseases, hunger as well as lack of income.	-Money provides economic empowerment, reduces poverty and increases self confidence and choice among women.

This understanding has implications not only for micro-credit as a poverty reduction strategy but also for development stakeholders at large, such as the international financial donors, NGOs, micro-credit institutions and developing country governments. Micro-credit's emphasis on money as capital does not reflect women's reality. The proposed development initiatives need to reflect the local reality of the people they are meant to help. This can only be achieved if women's views and their local circumstances are incorporated in these initiatives from the start. These include patriarchal relations which are biased against women, gender disparities in allocation and distribution of resources and responsibilities within the household, local traditions and customs, social relations, poor infrastructure, low technology and skills, government and local authority perception and execution of rules and regulations, the legal framework and the market economy. At best these discriminate against women by restricting their access to productive resources and the ensuing benefits. It has been argued in this study that these are some of the reasons why, although it is the women who receive credit, in some cases it is the men who benefit the most from these credit facilities. This supports the argument that targeting women in isolation from other members of the community is not necessarily the most effective way of dealing with or responding to women's vulnerable position in society.

At present this is not happening because the micro-credit agencies have an allegiance to their donor funding institutions, which dictate the terms of engagement. These are usually geared towards repayment of the loans owed to them and attaining financial self-sustainability. Consequently this arrangement puts micro-credit's needs ahead of those of its clients; clients are required to fit into the prescribed conditions rather than micro-credit accommodating the local needs of their clients. This study observes that incorporating local conditions and local knowledge in addition to bottom-up research would provide much needed checks and balances and informed choices made by micro-credit agencies in terms of offering a service that their clients will greatly benefit from.

In order to move towards a more holistic approach, micro-credit needs to conduct more comprehensive research into their clients' way of life in order to appreciate their understanding and way of dealing with financial issues particularly with respect to economic investment. This process will reveal the different perceptions of poverty, and the role that money plays in its reduction, as well as the social and cultural implications of the involvement with micro-credit for poor women. By focussing primarily on money as the answer to poverty, micro-credit overlooks the fact that the meaning, value and uses of money do not depend on a universal characteristic common to all monies; these things depend upon the people in a particular context. Since poverty reduction depends on local circumstances, focussing on lending money without considering local conditions can be explained as one contributory factor in the inadequate response to poverty.

In drawing out different meanings of money to different stakeholders, this study makes an important contribution to the academic and policy literature which emphasises the importance of incorporating local knowledge and practice in development initiatives. It found that local knowledge and understanding are crucial for the success of development initiatives. This finding may improve the complex situation where people who are meant to be working towards a common goal are actually working at cross-purposes. Providing money alone to poor women does not equip them with the knowledge and capacity necessary for dealing with issues such as the conflicting licensing situation, or the harassment of the local authority guards, even legal awareness of the local by-laws. Access to money does not alter the gender relations of distribution within the household or the market, which tend to discriminate against women. It certainly does not automatically provide solutions to poor women's technical and technological predicament or provide better understanding of their business environment. Most of these challenges can be overcome through coordinated efforts of micro-credit, local government, policy makers, poor women, traditional values and education. Such efforts may offer potential for a lasting solution in contrast to the current trend where solutions are proposed by those in positions of power and the poor are expected merely to implement them.

By focusing on the social meanings of money among clients of micro-credit and the role it plays in reducing poverty, this study offers a challenge for future studies on micro-credit to go further in pursuing alternative perceptions and analyses of poor people's reality. The way poor people perceive their world is crucial as it determines the decisions they make and the actions they take. Ignoring this reality and offering solutions which are not rooted in this reality is unlikely to produce the desired goals. Micro-credit has potential as a solution to part of the complex and multifaceted problem of poverty. By analysing micro-credit and poverty from different perspectives, future studies could uncover interesting ways of explaining poor people's predicament and offer alternative solutions.

Future development projects could learn from this study's understanding of money, poverty and its reduction. Studies on micro-credit conducted in the Asian country of Bangladesh where the Grameen Bank model of lending widely used in Tanzania originated, offer some comparisons with the situation in Tanzania. Studies like Islam (2007), Kabeer (1998), Mayoux (2003), Pitt, Khandker and Cartwright (2003), Rahman (1999) and Wahid (1993) offer challenges to the Grameen Bank model and question the benefits gained from their involvement with micro-credit. While this study raises concerns about the benefit that some women obtain from their association with micro-credit, it should be noted that there are vast differences in the social settings between Bangladesh and Tanzania. The Grameen Bank was set up in a rural closely-knit homogeneous community, which promoted group solidarity. In Tanzania micro-credit is mainly set in an urban environment with a mixture of traditional and urban cultural practices that disrupt social solidarity. Apart from the political will for change, the overall outlook for micro-credit as a poverty reduction strategy in Tanzania is contestable. Fraser and Kazi, (2004) argue that it reduces poverty while others are concerned about its impact on poverty (Rutashobya, 1998; Chijoriga, 2000). This is an important concern now that the Tanzanian government is promoting micro-credit as an alternative means of reducing poverty and ensuring the empowerment of its citizens as part of the MKUKUTA initiative under the Millennium Development Goal (MDG3).

The understanding of empowerment among the poor women in this study was as contentious as the definition of the term appears to be. The difficulties stemmed from the usage of the term; mostly associated with the language of politicians, gender lobbyists and credit officials. This aspect made the understanding of empowerment appear foreign and imposed among poor women. Yet from the study, there were glimpses of poor women themselves displaying aspects of empowerment, such as when they reported their capability to make money just like their male counterparts, using their intelligence ('ujanja') to survive both in bongo land or even outshine their partners. This shows a level of self belief, self confidence and hence empowerment at a personal level. The study found that this is a different perception of empowerment than that advocated by the UNDP (2005) where empowerment is taken to mean women having equal capabilities and equal opportunities and rights to control their own lives and destinies. Most of the poor women in the study and in Tanzania generally live by and under their customs and traditions which dictate a woman's place and role. These customs and traditions undermine women as subordinate to men; they do not offer equal decision-making power or resource allocation or distribution both within the privacy of their households or in the market setting where they conduct their businesses. From this perspective, it can be concluded that empowerment is still a long distance away for these poor women in Tanzania. Yet, as empowerment is a process and not an end-state, poor Tanzanian women are not doing too badly as they have formed associations and groups which offer collective empowerment although they are still behind in terms of empowerment as the capacity to command and allocate resources- which is bound to have far reaching consequences for women in particular and poverty reduction in general.

The empirical section of the study that focussed on in-depth interviews revealed that micro-credit and its clients have different understandings of money and its investment, as well as of poverty and how it might be reduced. This gap in perception between micro-credit and its clients could be bridged through further research and dissemination of research findings among like-minded people. Meaningful research techniques including in-depth interviews and life histories that enable poor women to air views that are important to their social, cultural and economic development should be adopted by future development initiatives. These qualitative data collection techniques are considered more appropriate than household surveys, which tend to limit freedom of expression among women whose most pertinent views are often by-passed. Focussing on their clients' reality will enable these agencies to uncover genuine concerns which could compel them to act as a bridge between their clients and funding institutions, local governments, informal sector and even marketing bodies. Such research would also expose agency weaknesses such as the over emphasis on economic attributes, and would require them to retrain their staff to be gender sensitive and to recognise social and cultural issues affecting their clients that are currently ignored. In addition, employing a bottom-up approach to poverty reduction and encouraging a wider participation by different stakeholders in identifying key dimensions of poverty will create an added advantage because such a move will not only provide rich information on poverty, but it will also allow poverty concerns to be looked at from a different angle.

This study can be placed among other sociological studies that seek to understand women's struggles in the face of economic reforms, poverty reduction and globalisation. The findings of this study may not compare with those of other studies on micro-credit in Tanzania, mainly because of the different approach that this study has taken. It has focused on the meaning and value of money to women, while most studies on micro-credit in Tanzania look at the different micro-credit schemes, the number of clients, outreach and whether or not they relieve their clients' poverty. Micro-credit agencies equate taking of larger sums of credit by their clients as an indication that these clients are improving their businesses and hence reducing their poverty status. Studies that do not apply a bottom-up approach and which use these agencies' understanding of poverty reduction tend to accept that the more money clients take from micro-credit, the less their poverty status. While this study does not imply that micro-credit schemes do not improve their clients' lives overall, it suggests that the impact of these improvements could be more meaningful to poor women if micro-credit schemes understood the value and meaning of money from their clients' point of view and tried to incorporate these meanings in improving their services. In addition, they need to look for ways to address gender discrimination within the household and the market.

This study identified a knowledge gap in the perception of poverty and its reduction among micro-credit agencies and their clients. These differences manifested in class and education issues between micro-credit agencies and officials and their clients. They were evident in language use, with micro-credit officials using technical terms and even the English language in some contracts meant for clients. Differences in class and education level were evident in the perceptions of money and hard work, with implications that domestic chores were not work because they are not paid. Creating an adequate means of sharing information is essential in reducing the knowledge gap and creating greater understanding.

Sharing knowledge and experience can happen if all parties change their attitudes towards each other. Micro-credit should be willing to understand its clients' perceptions and not dismiss them, while poor women need to find ways of engaging more with credit schemes rather than simply through the loan process. They could have more sessions of open dialogue where they raise their concerns regarding their businesses, the informal sector, their social relations, the market, and their concerns with the micro-credit agencies themselves. This study recommends that micro-credit institutions look into this aspect and make changes, which would really benefit their clients. The weekly meetings could be a good starting point in dealing with some of the issues that have an impact on their client's lives, and which have consequences for the outcomes of their monetary practices and business ventures. Instead of these meetings being a forum only for loan receiving, repayment as well as register maintenance; they could be used as an opportunity for women to air their views since they do not often get a chance to do so.

The question of alternative forms of money was not fully understood from the response from the field. Most women were either not aware of any alternative forms of money other than gold, which they said could be turned into money by selling it to goldsmiths or pawn shops. It did not become clear whether these other forms of money did not exist, or that this particular group of poor women did not use them, given that most of them are migrants from the rural areas where use of money in general is rather limited. This could be an issue for future research, to understand what alternative kinds of money forms, if any, exist and how the poor understand and use them. Another issue that could be interesting for future research is to study poor men's views of money on poverty reduction. It would be interesting to find out men's perceptions of domestic roles and engagement in informal businesses. It would also be useful to know what connections they make between money and power, money and traditional norms and practices, and money and social relations, and how their views may compare or contrast from those of women.

This study mainly used literature on micro-credit, urban poverty, and gender. However, the use of literature on theories of gender and development (Parpart, Connelly and Barriteau, 2000) provided a good theoretical framework from which to advance the major concepts used in the study such as gender, patriarchy, development, gender relations within the household and the market. Literature on micro-credit, specifically the Grameen Bank model was used (Robinson, 2001; Wahid, 1993; PRIDE, 2004; SELFINA, 2005; Johnson and Rogaly, 1997). Other literature looked at micro-credit from an anthropological perspective (Rahman, 1999), and a management perspective (La Torre and Vento, 2006; Islam, 2007). Studies on micro-credit in Tanzania have largely tended to focus on the different types of providers in the country (Fraser and Kazi, 2004; Kessy and Urio, 2006). Literature on empowerment such as Mayoux, (2002;2003;2006), Chant (2000;2006;2007a and b), Molyneux (2001), and Moser (1993) helped ground the study's understanding of gender and empowerment issues and offer a critical analysis to challenge women's access to financial facilities as automatic empowerment in itself. This study therefore provides an alternative understanding of micro-credit activities, and with a broader perception of money than simply its economic attributes. It is hoped that the lessons from this study will generate healthy debates for future sociological studies on the social role of money as a resource, and as a poverty reduction strategy.

This study aims to rethink to the future of using money only as a poverty reduction strategy and the future of the informal sector in Tanzania. It analysed the perceptions and practices of money that poor women use to explain their poverty status. Even though PRIDE and SELFINA micro-credits use different methods of credit delivery, this difference is not evident in the informal market where their clients operate. This is mainly due to the fact that the market where these women work under or their living conditions of gender discrimination within their households all suppress these women causing their contributions to be similar. They face similar barriers to their development as individuals and collectively as poor women. The expansion of the market economy and the introduction of new forms of money, such as the use of plastic and the Automated Teller Machines (ATM), implies that micro-credit needs to review its perception of money to accommodate these changes. These services are currently inaccessible to many clients of micro-credit. However, rising crime means that the way that poor women conduct their businesses and handle money, especially the handing out of loans in cash to clients, as well as the weekly or monthly returns (in cash), all need to be reassessed and measures adopted which are safe, accessible and flexible.

The limitations of this study are that it only focused on poor women already involved in micro-credit schemes. Although this was done purposively in order to find out about the lived experiences of the women concerned, it is nonetheless a limitation because it does not take into account poor men and poor women who are not clients of micro-credit. The study would have gained more from including poor men's perceptions of money, especially in assessing the similarities or differences with poor women's views, since men are not constrained by gender and patriarchy relations in quite the same way as women. Moreover, as the study also looked at gender concerns within the household, it would have benefited more if the male members of these families had also been interviewed. This would have provided useful information for understanding their perceptions of the use of money (particularly now that women are earning more than men in some cases), and issues of power relations in the domestic context.

The study has also thrown light on the complex and multifaceted nature of poverty. It has argued that by focussing on only one aspect of poverty, namely income poverty, micro-credit is missing the intricate aspects of poverty which its clients experience and respond to. Poor women explained poverty in physical, psychological and material terms, thus underpinning the argument that poverty cannot simply be resolved by providing access to credit as an isolated strategy since access to material resources does not automatically empower nor reduce these women's poverty status. This study concludes that micro-credit is a necessary but not sufficient way of dealing with poverty reduction. It is necessary in the sense that it has helped poor women deal with important life cycle occurrences such as paying for medical bills, funerals, school fees, weddings and traditional rites of passage ceremonies. These may not be economic investments, but they are important to these women. Micro-credit is necessary in a money-dependent post-structural world but not in the limited way that micro-credit agencies are proposing. To achieve its potential, micro-credit needs to accommodate a holistic view of its clients' reality of money, poverty and the socio-cultural and political environment that influence the monetary transactions of their clients in today's global situation.

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APPENDIX: INFORMANTS BASIC CHARACTERISTICS AND CIRCUMSTANCES

No.	Name	Age	Ethnicity	No. of children	Religion	Education level	Household composition	Business	Migrant status	Micro-credit Agency
1.	Asma	30-34	Ngoni	1	Muslim	Form 4	married	Video/retail Shop; buns	migrant	Pride & ACB
2.	Mage	35-39	Makonde	2	Christian	Primary 7	Household head	Hair salon; green grocer	migrant	Pride & ROSCA
3.	Diana	35-39	Haya	3	Christian	Primary 7	Polygamous household	Charcoal	migrant	Selfina
4.	Renata	20-24	Nyakyusa	-	Christian	VETA	Leaves with married sister	Green grocers/fried fish	migrant	Pride
5.	Mama Hairati	35-39	Chagga	3	Muslim	Primary 7	Household head	Used clothes/ shoes	migrant	selfina
6.	Grace	30-34	Pare	-	Christian	Primary 7	Single parent/in sister's home	Market stall/genge	migrant	selfina
7.	Violet	35-39	Jita	1	Christian	Form 2	Household head	Used clothes	migrant	Selfina
8.	Mamnda	30-34	Chagga	2	Christian	Form 2	married	Greengrocer/ fried fish	migrant	pride
9.	Mama riziki	25-29	Rangi	3	Muslim	Form 1	married	coconuts/vegetabl es/fruits stall	migrant	Pride/ACB
10.	Zainabu	20-24	Taita	-	Muslim	Form 4	Unmarried/leaves with parents	Cake & confectionaries stall	migrant	pride
11.	Mamu	30-34	Taita	2	Muslim	Form 4	married	Transports grains/clothes	migrant	Pride/ROSC A
12.	Agnes	35-39	Ngoni	2	Christian	Primary 4	married	Food stall	migrant	pride
13.	Halima	25-29	Sambaa	1	Muslim	Form 2	married	Clothes shop	Non-migrant	Pride/faulu
14.	Dogoo	20-24	Zigua	2	Muslim	Form 1	Household head	Fruit stall	migrant Parents	Pride/ROSC A
15.	Mariagoreti	30-34	Chagga	2	Christian	university	married	Credit officer	migrant	Pride

16.	Mnyalukolo	30-34	Hehe	1	Christian	Form 1	married	Food stall	migrant	Selfina/ROSCA
17.	Asma	25-29	Hehe	-	Muslim	Primary 4	Leaves with married brother	Batik stall/soft drinks	migrant	Selfina
18.	Mama Godi	30-34	Haya	3	Christian	Primary 7	Household head/widowed	Charcoal dealer/buns	migrant	selfina
19.	Mama Lila	30-34	Pare	2	Muslim	Form 4	Divorced/leaves with brother	Retail shop/cosmetics	migrant	Selfina/ president's fund
20.	Mama Fatu	45-49	Pare	4	Muslim	Primary 7	married	flowers/utensils/mats for ceremony hire	Born of migrant parents	Pride/ACB
21.	Rhoda	20-24	Mbena	1	Christian	Primary 7	Household head	Tailor	migrant	Selfina
22.	Mama Keyi	45-49	Ngoni	4	Muslim	Primary 7	Household head/widowed	Charcoal dealer	migrant	Pride
23.	Janet	30-34	Hehe	3	Christian	college	married	Water supplier	migrant	Pride
24.	Manka	20-24	Chagga	1	Christian	Form 4	married	Used clothes/soft drinks	migrant	selfina
25.	Ngina	35-39	Hehe	2	Christian	Primary 7	married	Cereals & grains/women's shoes/clothes/handbags/kiosks	migrant	Pride/ president's fund/ROSCA
26.	Mama Laila	40-44	Zaramo	7	Muslim	Primary 7	Polygamous household	Shop/ materials for dressmaking	Non-migrant	selfina
27.	Mwanaisha	35-39	Digo	3	Muslim	University	married	Credit officer	migrant	Pride
28.	khadija	40-44	Pemba	4	Muslim	Form 1	Polygamous household	Women's wedding accessories shop	migrant	selfina
29.	Mrs Asia	30-34	Ngoni	2	Muslim	VETA	married	Fried chips and chicken stall	migrant	Pride
30.	Digna	30-34	Haya	2	Christian	Form 2	married	Food stall/ soft drinks/used clothes	migrant	FINCA/ACB/ PRIDE
31.	Nandaro	45-49	Luguru	3	Christian	Primary 4	Household head	Ground nuts/ice lollies/water/bites	migrant	selfina

32.	Emily	30-34	Luguru	2	Christian	university	married	Credit officer	migrant	selfina
33.	Matilda	35-39	Chagga	3	Christian	university	married	Credit officer	migrant	pride
34.	Mama Lema	40-44	Chagga	4	Christian	university	married	Credit officer	migrant	selfina
35.	Vero	50-54	Nyakyusa	2	Christian	university	Household head	Credit officer	migrant	selfina
36.	Fay	35-39	Pogoro	4	Christian	none	married	Pastries/buns	migrant	pride
37.	Helena	40-44	Pare	5	Christian	Primary 7	married	Salon/fried fish	migrant	selfina
38.	Amina	45-49	Zaramo	6	Muslim	Primary 3	Polygamous household	Tailor	Non migrant	selfina/ROSCA
39.	Havijawa	35-39	Ndengereko	3	Muslim	none	married	Food stall	Non migrant	selfina
40.	Bahati	30-34	Zaramo	3	Muslim	Primary 7	Single parent in aunt's home	Fried fish/chips/cassava/ chapatti	Non migrant	selfina